

DEC 27 1985

DEC 28 85

D103.6/4:37-2-10/985

COMPLETED

896

ENGEC-FS

DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF OF ENGINEERS
WASHINGTON, D. C. 20315

ER 37-2-10

Regulation
No. 37-2-10

207

1 April 1969

FINANCIAL ADMINISTRATION

Accounting and Reporting - Civil Works Activities

1. Purpose and Scope. This regulation prescribes the accounting systems and related procedures for all Civil Works activities of the Corps of Engineers. It is applicable to the Waterways Experiment Station and to all Division and District offices engaged in Civil Works activities.

2. The civil activities accounting and reporting procedures were heretofore included in ER 35-2-10. The change in ER number is required by AR 310-1.

FOR THE CHIEF OF ENGINEERS:

Philip T. Boerger

PHILIP T. BOERGER
Colonel, Corps of Engineers
Executive

ORIGINAL

THIS REPRINT INCLUDES CHANGES 1-56

Rescission - ER 35-2-10, 1 Jul 64

BEST COPY AVAILABLE

CHAPTER 1

* ACCOUNTING PRINCIPLES AND STANDARDS

	<u>Paragraph</u>	<u>Page</u>
Introduction	1-1	1-1
Background	1-2	1-2
The Accounting Organization and Functions	1-3	1-2
Statutory Requirements	1-4	1-4
Financial Management Concept	1-5	1-13
The Accrual Basis of Accounting	1-6	1-20
Obligations and Cost-based Budgets	1-7	1-21
Internal Control	1-8	1-22
Fund and Accounting Control	1-9	1-27
Revenues	1-10	1-29
Costs	1-11	1-29
Cash and Receivables	1-12	1-34
Property Accounting	1-13	1-36
Liabilities	1-14	1-40
Equity of the US Government	1-15	1-41
Financial Reporting	1-16	1-42

CHAPTER 1

ACCOUNTING PRINCIPLES AND STANDARDS

1-1. Introduction.

a. Purpose. This Chapter sets forth the principles and standards governing the design and operation of the financial accounting and reporting system prescribed by this regulation. It is applicable to all Corps of Engineer offices engaged in civil works and military activities. The statements of principles and standards include the objectives and characteristics of the system that are essential to effective financial management; outline the functions of the various phases of the accounting and reporting processes to meet those requirements; and furnish guidelines for the performance of those functions. The principles and standards provide a basis for interpretation and for further development of the system as may be required. Also included in this chapter are statements which identify provisions of this regulation that are in line with those principles and standards. The accounting system complies with the Budget and Accounting Procedures Act of 1950, as amended (31 USC 66a), the Accounting Principles and Standards for Federal Agencies prescribed by the Comptroller General, and where applicable, the Uniform System of Accounts prescribed by the Federal Power Commission pursuant to the provisions of the Federal Power Act (16 USC 825b).

b. Requirements of Accounting System. The Corps of Engineers civil and military activities accounting system has been designed to meet both statutory and internal management requirements. The Budget and Accounting Procedures Act of 1950 requires the maintenance of an integrated accounting system which will meet the requirements of the Congress, the General Accounting Office, the Treasury Department, the Office of Management and Budget (OMB), and the Comptroller of the Army. Also, since the Corps is a producer of electric power, it is required to record financial data in a manner to meet the needs of the Federal Power Commission so far as may be practicable, in accordance with applicable statutes. This system has also been designed with the view to facilitating the managerial function at each echelon of command within the Corps.

c. Revisions. The Finance and Accounting Division, Office of the Engineer Comptroller, is responsible for maintaining this regulation in a current condition. Changes may become necessary because of changed, unusual, or special conditions. Proposed changes initiated in Office, Chief of Engineers (OCE) or in the field will be submitted to HQDA (DAEN-ECF-S) WASH DC 20314 for approval. Changes in the principles and standards will be discussed with representatives of

the General Accounting Office (GAO). Changes will be submitted to the Comptroller General for approval when requested by representatives of GAO.

1-2. Background. The organization, objectives, and functions of the Corps of Engineers are contained in the following publications:

- a. ER 10-1-1, Organization and Functions - Mission and Command Organization of the Chief of Engineers.
- b. ER 10-1-2, Organization and Functions - General Policies.
- c. ER 10-1-3, Organization and Functions - Divisions and Districts.

1-3. The Accounting Organization and Functions.

a. General. All officers and civilians of the Corps who order services or materials, or who supervise operations, are responsible for assuring that the United States receives value commensurate with amounts expended. The accounting and reporting system maintained under the supervision of the Engineer Comptroller and Finance and Accounting Officers (F&AO's) is designed to record and reflect the results of all actions taken to obligate, expend, and disburse public funds.

b. Office of the Engineer Comptroller. The Engineer Comptroller and his deputy, directly and thru the Finance and Accounting Officer, OCE, are responsible for accounting and reporting operations in OCE and for staff supervision of those operations in field offices. These responsibilities include the study of statutory requirements (para 1-4) and the requirements of other higher authorities; and liaison and coordination with GAO, OMB, Treasury Department, and Department of the Army (DA), and, in OCE, with the Executive Office, Directorate of Civil Works, Directorate of Facilities Engineering, Directorate of Military Construction, Directorate of Real Estate, and General Counsel.

c. Finance and Accounting Division, OEC. The Finance and Accounting Officer directs and coordinates all finance and accounting operations, including property accounting, formulates policies for design, installation and maintenance of records, systems and procedures, disbursement, collection and deposit of funds, preparation of financial statements and reports, including responsibility for the accuracy and adequacy of such reports prepared by the Engineer Data Processing Center (EDPC); and furnishes advice and develops analyses on financial matters and settlement of claims involved in the disbursement of funds. The Finance and Accounting Division consists of the

following branches: Accounting Systems and Procedures, Cost and Revolving Funds Accounting, and Finance Accounting.

(1) Accounting Systems and Procedures Branch.

(a) Develops finance, budgetary, cost and property accounting systems, procedures and reporting requirements, and determines future systems requirements for the activities of the Corps.

(b) Analyzes changes in Corps activities and directives from GAO, OMB, Treasury Department, and various higher authorities for determination as to requirements for new or revised systems and procedures.

(c) Coordinates review, analysis and processing of audit, inspection, and accounting review and examination reports within the Finance and Accounting Division.

(2) Cost and Revolving Funds Accounting Branch.

(a) Exercises staff supervision over cost, revolving funds, and property accounting and the development of accounting data for reporting purposes in the Corps.

(b) Recommends the establishment of policies and decisions by the Chief of Engineers based upon cost analyses.

(c) Develops and maintains records of cost data and disseminates same to elements of OCE.

(d) Develops and compiles consolidated statements of costs; makes cost accounting analyses and evaluations thereof, and of cost accounting consolidations and reports prepared by the field and EDPC; and furnishes additional data and guidance relative thereto as necessary to other elements of OCE, field offices, other agencies, and higher authorities.

(e) Formulates OCE policies, and develops techniques and standardizes methods, reports, and administration in connection with cost and revolving fund accounting.

(f) Compiles and interprets consolidated Corps revolving fund business-type financial statements submitted to higher authorities.

(g) Reviews reports of survey of property, evaluates field recommendations as to holding personnel pecuniarily liable for damage or loss, and recommends approval or disapproval.

(h) Monitors surplus property disposal functions.

(3) Finance Accounting Branch.

(a) Exercises staff supervision over integrated finance and budgetary accounting, disbursing and reporting (including nonappropriated funds) in the Corps.

(b) Formulates OCE policies, develops techniques and standardizes methods, reports and financial administration in connection with finance and budgetary accounting and disbursing.

(c) Maintains finance and budgetary accounting records for all funds made available to the Chief of Engineers, issues allotments to field offices, and keeps the operating components in OCE currently informed as to their status.

(d) Implements payroll accounting policies covering pay and allowances, allotments and deductions for military and civilian personnel, and exercises staff supervision over these activities in the Corps.

(e) Compiles consolidated Corps financial statements and reports reflecting status of finance and budgetary accounts and disbursement and collection data; and prepares financial analyses, summaries and reconciliations, and submits reports to higher authorities and to other elements of OCE for use in connection with financial management.

(f) Collaborates with the General Counsel relative to final settlement of contracts.

(g) Processes general claims requiring adjudication which involve fiscal records or procedures.

(h) Processes correspondence relative to the appointment of disbursing officers and deputies.

(i) Assures the accuracy, adequacy and timeliness of financial reports, tabulations and analyses prepared.

d. District Finance and Accounting Offices. The organization and functions of these offices are described in Appendix IV, ER 10-1-3, - Organization and Functions - Divisions and Districts.

1-4. Statutory Requirements. This paragraph provides references to the principal statutes bearing on the Corps accounting and reporting system. Synopses are included for some of those statutes.

a. Establishment and Maintenance of Accounting System and Financial Reporting. The Budget and Accounting Procedures Act of 1950, as amended (31 USC 65 and 66), provides the Congressional policy on the purpose and need for adequate accounting systems and financial reporting in the Federal departments and agencies. This Act places the responsibility upon the head of each executive agency to establish and maintain adequate systems of accounting and mutual control in conformance with principles, standards, and related requirements prescribed by the Comptroller General of the United States.

b. Accrual Accounting and Monetary Property Records. Section 113 of the Budget and Accounting Procedures Act of 1950 was amended by PL 84-863, approved 1 Aug 1956 (31 USC 66a(c)), to specifically require the use of accrual accounting and monetary property accounting as follows: "(c) as soon as practicable after the date of enactment of this subsection, the head of each executive agency shall, in accordance with principles and standards prescribed by the Comptroller General, cause the accounts of such agency to be maintained on an accrual basis to show the resources, liabilities, and costs of operations of such Agency with a view to facilitating the preparation of cost-based budgets as required by Section 216 of the Budget and Accounting Act, 1921, as amended (31 USC 24). The accounting system required by this subsection shall include adequate monetary property accounting records as an integral part of the system."

c. Cost-based Budgets. Section 216 of the Budget and Accounting Act of 1921, as amended (31 USC 24) was further amended by PL 84-863, to require development and use of cost-based budgets as follows: "(b) The requests of the Departments and establishments for appropriations shall, in such manner and at such times as may be determined by the President, be developed from cost-based budgets. *** (c) for the purposes of administration and operations, such cost-based budgets shall be used by all Departments and establishments and their subordinate units. Administrative subdivisions of appropriations or funds shall be made on the basis of such cost-based budgets."

d. Anti-Deficiency Act - Section 3679, Revised Statutes (31 USC 665). This section provides that obligations shall not exceed amounts appropriated or apportioned, or amounts allotted for administrative control. Public Law 84-863 amended the Anti-Deficiency Act by adding the following: "In order to have a simplified system for the subdivision of appropriations of funds, each agency shall work toward the objective of financing each operating unit, at the highest practical level, from not more than one administrative subdivision for each appropriation or fund affecting such unit."

e. Documentary Evidence of Obligations. Section 1311, Supplemental Appropriation Act of 1955 (31 USC 200) sets forth the criteria that govern the reporting of financial transactions as obligations.

f. Objects for which Appropriations Made - Section 3678, Revised Statutes (31 USC 628). This section states that except as otherwise provided by law, sums appropriated shall be applied solely to the objects for which they are respectively made. The objective of this statute is to assure that the agencies carry out the programs in accordance with the purposes and intent of the Congress.

g. Adjustment or Reimbursement Between Appropriations. Public Law 89-473 (31 USC 628a) authorizes the charging of any appropriation available to an agency for the benefit of any other appropriation of the same agency for the procurement of materials and services, for which funds are available in both appropriations, with the provision that appropriate adjustment or reimbursement be made between the financing and benefiting appropriations during or as of the close of each fiscal year.

h. Merging of Obligated Balances of Expired Appropriations. Public Law 84-798, as amended (31 USC 701-708), provides for the system of payment of obligated balances of expired appropriations, and for the withdrawal and restriction of unobligated balances.

i. Inventory Controls. The Federal Property and Administrative Services Act of 1949 (40 USC 483) requires agencies to maintain adequate inventory controls and accountability systems for property under their control.

j. Federal Claims Collection Act of 1966. This Act, PL 89-508 (31 USC 951-953) authorizes an agency to settle claims for amounts owed to the Government by reason of the activities of such agency.

k. Accounting and Budget Classifications. Section 2 of PL 84-863 amended the Budget and Accounting Procedures Act of 1950 by adding the following section: "Sec. 106. The head of each executive agency shall, in consultation with the Director of the Office of Management and Budget take whatever action may be necessary to achieve, insofar as is possible, (1) consistency in accounting and budget classification, (2) synchronization between accounting and budget classifications and organization structure, and (3) support of the budget justifications by information on performance and program costs by organizational units." (31 USC 18(c).)

l. Employment and Travel Expenses of Consultants and Experts. The Administrative Expenses Act of 1946, as amended, includes provisions relating to the employment of consultants and experts, and to the payment of the travel expenses (5 USC 3109 and 736-2).

m. Revolving Fund. The Civil Functions Appropriation Act of 1954, PL 83-153, 1st Session, approved 27 July 1953, established the Civil Works Revolving Fund.

n. Advance Payments.

(1) 31 USC 529 provides that no advance of public money will be made except as provided by law.

(2) Advance payments are authorized for:

(a) Tuition (31 USC 529i),

(b) Authorized subscriptions to newspapers, magazines, or other publications (31 USC 530), and

(c) Flood control work, payments to cooperating public agencies for services (33 USC 701b-2). (However, guidance in connection with current Treasury Department requirements should be requested of HQDA (DAEN-ECF-A) WASH DC 20314, prior to making such advances.)

o. Receipt, Disbursement, and Application of Funds.

(1) Authority of the Comptroller General. The Budget and Accounting Act, 1921 (42 Stat. 20; 31 USC 41 et seq) invested in the Comptroller General of the United States the authority to decide any questions involving a payment to be made by any agency and to investigate all matters relating to the receipt, disbursement, and application of public funds, and to make regular and special reports. It also made final and conclusive on the Executive Branch the decision of the Comptroller General and the balances certified by GAO in the settlement of public accounts. A disallowance by GAO may be removed by the Comptroller General only.

(2) Requests for Decision and Review by the Comptroller General. Section 8 of the Act of 31 July 1894 (Stat 208; 31 USC 74; and ML 1949, Section 1653) provides that disbursing officers or the head of any executive department may apply for and the Comptroller General will render his decision upon any question involving a payment to be made by them or under them, which decision, when rendered will govern

GAO in passing upon the account containing said disbursement. Also, Section 8 of the Act of 31 July 1894 (28 Stat 207; 31 USC 74; ML 1949, Section 1656); and Section 304 of the Act of 10 June 1921 (42 Stat 24; 31 USC 44; ML 1949, Section 1646) provide that any person whose accounts may have been settled by GAO, or the head of the department, may request a review of the said account by the Comptroller General, whose decision upon such review will be final and conclusive upon the executive branch of the Government.

(3) Persons in Arrears to the United States. The Act of 10 May 1934 (5 USC 82) provides that no money shall be paid to any person for his compensation who is in arrears to the United States until he has accounted for and paid into the Treasury all sums for which he may be liable. And, the Act of 15 July 1954 (68 Stat 482) provides that in all cases where the pay or salary of any person is withheld in pursuance of the above statute, GAO, if required to do so by the party, his agent or attorney, shall report forthwith to the general counsel for the Department of the Treasury the balance due, and the general counsel shall, within 60 days thereafter, order suit to be commenced against such delinquent and his sureties.

(4) Final Judgment Recovered Against the United States. The Acts of 3 March 1875 and 3 March 1933 (31 USC 227) provide that when any final judgment recovered against the United States duly allowed by legal authority shall be presented to the Comptroller General for payment, and the plaintiff therein shall be indebted to the United States in any manner, whether as principal or surety, payment will be withheld of an amount of such judgment or claim equal to the debt thus due to the United States. If the plaintiff denies his indebtedness to the United States, or refuses to consent to the set-off, payment will be withheld of such further amount of such judgment, as will be sufficient to cover all legal charges and costs in prosecuting the debt of the United States to final judgment. If such debt is not already in suit, legal proceedings will be immediately commenced to enforce the same, and will be prosecuted to final judgment. If in such action judgment is rendered against the United States, or the amount recovered for debt and costs is less than the amount so withheld as before provided, the balance will then be paid over to such plaintiff with interest thereon for the time it had been withheld from the plaintiff.

p. Withholdings from the Pay of Civilian Employees.

(1) The Act of 15 July 1954 (68 Stat 482, 5 USC 5514) provides authority for making deductions from the pay of civilian employees without their consent to satisfy indebtedness resulting from any erroneous payment (military or civil) made by an establishment of the Department of Defense to or on behalf of such employees.

(2) The Act of 3 Aug 1950 (64 Stat 393) provides authority to withhold from the pay of employees without their consent to satisfy indebtedness arising from any erroneous payment made during previous employment by an agency of the Executive Branch of the Government where GAO has raised a charge for such erroneous payment against a disbursing or certifying officer.

q. Disposition of Receipts - General Authorities.

(1) Sales and Transfers of Property.

(a) The Act of 13 June 1902 (33 USC 558) provides that when any property which has been heretofore or may hereafter be purchased or acquired for improvement of rivers and harbors is no longer needed, or is no longer serviceable, it may be sold in such manner as the Secretary of the Army may direct, and the proceeds credited to the appropriation for the work for which it was purchased or acquired; and the Secretary of the Army may direct the transfer of any property employed in river and harbor works, and in such event, the property so transferred will be valued and credited to the project upon which it was theretofore used and charged to the project to which it will be transferred.

(b) The Act of 9 July 1918 (10 USC 1284) provides that all moneys arising from disposition of material supplied to the Army by the Corps of Engineers will remain available for the purpose of the appropriation from which such materials were authorized to be supplied at the time of the disposition.

(2) Reimbursement for Lost, Stolen, or Damaged Property. Section 4 of the Rivers and Harbors Act of 20 June 1938 (33 USC 571 and 701K) provides that any amount collected from any person, persons or corporations as a reimbursement for lost, stolen or damaged property, purchased in connection with civil works prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, whether collected in cash, by set-off from Civil Service retirement accounts or by deduction from amounts otherwise due such person, persons, or corporations, hereafter shall be credited in each case to the appropriation that bore the cost of purchase, repair or replacement of the lost, stolen, or damaged property.

(3) Sale and Removal of Wrecks.

(a) Sale. 33 USC 414 provides that any moneys received from the sale of any wreck, under the law, will be deposited into the Treasury as General Fund Receipts.

(b) Removal. 31 USC 415 provides that the expense of removing wrecks, under the law, will be a charge against such craft and cargo, and if the owners thereof fail or refuse to reimburse the United States for such expense within 30 days after notification, the officer who ordered the removal may then sell the craft or cargo, or any part thereof that may not have been destroyed in removal, and the proceeds of such sale will be deposited into the Treasury as General Fund Receipts. The expenses of the sale will be deducted from the proceeds and only the net amount deposited to the General Fund. The cost of removal of the wreck will be charged to appropriated funds.

(4) Rental of Plant or Equipment. 33 USC 559 provides that receipts for the authorized rental of plant or equipment owned by the Government in connection with the prosecution of river and harbor works shall be deposited to the credit of the appropriation owning the plant.

(5) Sales of Old Material, Condemned Stores, etc. 31 USC 489 provides that from the proceeds of sales of old material, condemned stores, supplies or other public property of any kind, before being deposited into the Treasury, either as general fund receipts or to the credit of the appropriations to which such proceeds are by law authorized to be made, there may be paid the expenses of such sales, so as to require only the net proceeds of such sales to be deposited into the Treasury, either as General Fund receipts or to the credit of such appropriations, as the case may be. (Where proceeds are for deposit to the credit of an appropriation available for payment of the expenses of the sale, there is no advantage or benefit to be derived by paying the expenses from the proceeds and depositing the net amount. In such cases, the gross amount of the sale should be deposited and the expenses paid in the usual manner.)

r. Authority to Disburse. The Chief of Engineers is charged with the disbursement of funds appropriated for Civil Works by a recurrent appropriation act provision, which, for the fiscal year concerned, constitutes a congressional directive to that end.

s. Deputy Disbursing Officer. The Act of 31 July 1953 (67 Stat 296; 31 USC 103b) provides that in the event of the death, incapacity, or separation from office of a disbursing officer, the accounts of such disbursing officer may be continued and payments made in his name by his deputy disbursing officer for a period of time not to extend beyond the last day of the second month following the month in which such death, incapacity or separation shall occur. The deputy will be legally liable and responsible for all payments and official acts during such period until a new disbursing officer is appointed. If there is

more than one deputy, the commanding officer of the installation will designate a deputy to disburse as principal in the name of the disbursing officer. Such accounts and payments shall be allowed, audited and settled in the manner prescribed by law; and the checks signed in the name of the former disbursing officer shall be honored by the Treasurer of the United States, in the same manner as if the former disbursing officer had continued in office.

t. Payments in Excess of Appropriations Prohibited. The Act of 30 June 1906 (31 USC 627) provides that no Act of Congress will be construed to make appropriations from the Treasury of the United States or to authorize the payment of money in excess of appropriations made by law, unless such Act does in specific terms so declare.

u. Sale or Other Disposition of Funds. 31 USC 544 provides that no officer of the United States will either directly or indirectly sell or dispose of to any person, for a premium, any Treasury note, draft, warrant, or other public security not his private property, or sell or dispose of the proceeds of such note, draft, warrant, or security, in his hands for disbursement, without making return of such premium and accounting therefor by charging the same to his accounts to the credit of the United States; and any officer violating this section will be forthwith dismissed from office.

v. Responsibility for Rendering Money Accounts. The Act of 25 June 1948 (62 Stat 683; 18 USC 643) provides that all officers, agents or other persons who are charged with the safekeeping, transfer or disbursement of the public moneys will keep an accurate entry of each sum received and of each payment or transfer, and will render distinct accounts of the application thereof according to the appropriations under which the moneys have been advanced to them. Every officer or agent of the United States who, having received public money which he is not authorized to retain as salary, pay or emolument, fails to render his accounts for the same as provided by law, will be deemed guilty of embezzlement and will be fined in a sum equal to the amount of the money embezzled and imprisoned for not more than ten years.

* w. Payment of Allowances, etc., Incident to Change of Station of Engineer Officers from Civil Works Appropriations. 33 USC 583 provides that when in the opinion of the Secretary of the Army the change of station of an officer of the Corps of Engineers is primarily in the interest of river and harbor improvement, the mileage and other allowances to which he may be entitled incident to such change of station may be paid from appropriations for such improvement. *

ER 37-2-10
Change 54
28 Feb 85

- * x. Payment of Officers of the Corps of Engineers Employed Primarily on Civil Works. 33 USC 583a provides that officers of the Corps of Engineers employed primarily on duty connected with nonmilitary public works prosecuted under the direction of the Chief of Engineers, including river and harbor improvements, flood control, and other such works, will, while so employed, be paid their pay and allowances from the appropriations for the work or works upon which they are employed.

* y. Related Statutes. Following is a list of other statutes bearing on the Corps of Engineers accounting system for which synopses are not included:

- (1) PL 86-767; 74 Stat 906.
- (2) PL 91-606.
- (3) Miller Act, 24 Aug 1935, 49 Stat 794.
- (4) Act of 3 Mar 1875, 18 Stat 481.
- (5) Act of 3 Mar 1933, 47 Stat 1516.
- (6) Section 305 of the Budget and Accounting Act of 10 June 1921, 42 Stat 24.
- (7) 31 USC 203.
- (8) PL 85-480, approved 2 July 1918.
- (9) Davis-Bacon Act or the Work Hours Act of 1962, PL 87-581.
- (10) Flood Control Act of 28 June 1938, as amended.
- (11) PL 90-616; 82 Stat 1212.
- (12) Sec 601 of the Economy Act, 31 USC 686.
- (13) Sec 14, River and Harbor Act, 3 Mar 1899, 30 Stat 1152, 33 USC 408.
- (14) Sec 205 of 1948 Flood Control Act, as amended by PL 84-685.
- (15) Sec 107, 1960 River and Harbor Act.
- (16) Sec 2, 1937 Flood Control Act, as amended by Sec 208 of 1954 Flood Control Act.
- (17) Sec 14, 1946 Flood Control Act.
- (18) PL 88-578.
- (19) Water Supply Act of 1958.
- (20) 55 Stat 375, 31 USC 82e, Act approved 29 Dec 1941.
- (21) 31 USC 74.

1-12a (next page is 1-13)

12A

BEST COPY AVAILABLE

- (22) Act of 9 Aug 1955, PL 84-323; 69 Stat 618, 6 USC 14.
- (23) RS 3646, as amended 31 USC 528.
- (24) Sec 1, PL 84-365, approved 11 Aug 1955.
- (25) PL 83-566.
- (26) PL 84-984 and PL 78-534, Sec 7.
- (27) PL 89-298, Sec 214.
- (28) PL 78-534, Sec 4.
- (29) PL 90-542.
- (30) 74 Stat 906.
- (31) PL 93-288.
- (32) PL 84-99.
- (33) 26 USC 7701.

1-5. Financial Management Concept. The Corps activities, involving a wide range of functions, present diverse financial management requirements. Following are objectives and characteristics of the overall financial accounting and reporting system which meet those requirements.

a. Objectives.

- (1) Full disclosure of financial results of Corps activities.
- (2) Adequate financial data for management purposes.
- (3) Effective control over and accountability for all funds, property, and other assets for which the Corps is responsible, including adequate monetary property accounting records and appropriate internal audit.
- (4) Reliable results to serve as basis for the preparation and support of Corps budget requests, for controlling the execution of its budgets, and for providing financial data required by OMB, GAO, the Congress, and the public.
- (5) Suitable integration of accounting and reporting with the requirements of the Treasury Department.

(6) Conformance with the requirements prescribed by law and the principles and standards and related requirements prescribed by the Comptroller General.

b. Characteristics of the Accounting System.

(1) Accounts are maintained on the accrual basis, (para 1-6 below).

(2) The system is aligned with the basic delegation of authority and responsibility, especially with respect to the operating units. The responsibility for preparing source documents is assigned to the same organizational element as that which has delegated authority to obligate funds and administer activities.

(3) The accounts are maintained on computer, or as otherwise authorized by this regulation, and data on the status of funds, and program reports are furnished to the officer responsible for the programs.

(4) Accounts are kept on the double-entry basis. A general ledger is maintained in which all financial transactions are recorded in detail and/or summary, as appropriate. Subsidiary records are kept, as appropriate. Accounts are structured so that interagency and inter-fund transactions are separately identified in the accounting records and financial statements.

(5) A separate self-balancing set of general ledger accounts is kept for each fund type, i. e., those in the general, special, and trust fund group of accounts, and each management and revolving fund.

(6) A common terminology and classification (subparagraph c below) are used consistently for planning, budgeting, accounting, and reporting.

(7) The accounting system is designed to prevent the overobligation of funds. Obligation accounting discloses any potential violations of the Anti-deficiency Act, and meets other requirements.

(8) Cost accounting is an integral part of the accounting system. Costs can be measured and cost data can be made available when necessary for pricing reimbursable work. Generally, the cost accounts are based on funded costs; unfunded costs will be included when necessary to determine unit costs or prices.

(9) Depreciation accounting is performed where needed. The assets to be depreciated and the detail to which charges are allocated depends upon the needs of management within the Corps and the requirements of higher authorities.

(10) Cost accounts for the power production function of multiple purpose projects are maintained in a manner to be readily convertible to accounts required for reporting to the Federal Power Commission and power marketing agencies.

(11) The financial accounting system is flexible enough to provide for the needs of Corps management, yet susceptible of being integrated into a national pattern for the purpose of reporting to OMB, Treasury Department, the Congress, and the public. The system supports the Programming, Planning, and Budgeting System (PPBS).

(12) The system distinguishes between capital and revenue expenditures, charging the latter to current operations and the former to asset accounts, although both types of expenditures reduce the balance of available funds. Under this procedure expenditures made for capital assets which are used in connection with the activities of the Revolving Funds or in connection with project revenue producing activities are eventually included in project operating costs in the form of depreciation.

(13) A work order system is prescribed for accumulating costs incurred for each kind of project work, and for acquisition of plant and for shop orders for Revolving Fund purposes. Work orders are issued in accordance with approved programs and classified according to the uniform cost classifications.

c. Common Classifications. The financial management system is integrated at the District Office level by use of the same account classifications used for Planning, Programming, Budgeting, Accounting, and Reporting. The common classifications are initiated at the planning stage of the management cycle with an objective of providing consistent financial data for long-range programs, and for annual budget presentation for review and decision by the Chief of Engineers and the Secretary of the Army; and for the use of the operating managers. Common classifications associated with costs and related units of output permit the evaluation of performance against plans at all levels of management, and assist in the formulation and execution of budgets. Common classifications are designed to enhance the safeguarding of funds, property, and other resources for which a primary operating unit is responsible. The account classification for civil works and military, respectively, consists of a fifteen digit account number structured as follows:

- Positions 1 and 2 - Appropriation and/or appropriation category
- Positions 3 thru 5 - Project code
- Positions 6 and 7 - Feature code
- Positions 8 and 9 - Sub-feature code
- Position 10 - Contract and hired labor

Position 11	- Optional use
Positions 12 thru 15	- For use with COEMIS RA/PM Subsystem
Positions 1 and 2	- Appropriation
Position 3	- Fiscal Year or Design Year
Positions 4 thru 6	- Project Location
Position 7	- Fiscal Year, Design Year, or Construction Program Year
Positions 8 thru 10	- Line Item
Positions 11 thru 15	- Cost Account

d. Financial Controls. The primary basis of financial control is cost of performance. Financial control is achieved through forward planning of expected performance, execution under the plan, accounting, reporting, and review.

(1) Planning, programming, and budgeting is a coordinated technique consisting of correlated long-range planning, planning for the annual budget, and planning and programming of internal operations and procurement for the current fiscal year.

(2) Accounting furnishes monetary data to facilitate financial control, including the financial control of property. The accounting service consists of classifying, recording, and summarizing financial transactions in formats designed to reveal the financial results of operations in terms of the programs therefor, and in interpreting these results. Since the basis of financial control is exercised in terms of cost of performance, financial data produced by the accounting system is influenced by the need for the association of quantitative data with cost. The accounting system provides correlation between obligations, accrued expenditures, and disbursements.

(3) Financial reports are prepared directly from the accounting records, in the detail required by the levels of management to which the reports are addressed.

(4) Internal audits and other management reviews are performed by the Army Audit Agency to determine the extent of compliance with applicable laws, regulations, and management policies, whether there are any irregular transactions or activities, and whether performance is effective, efficient, and economical.

e. Other Controls. The above financial management controls to be exercised in the financial and accounting system are supplemented by administrative direction, such as controls over personnel, organizational structures, and grade levels. Management controls over personnel also include the establishment of qualifications standards as to education and experience, and the training and development of

employees. Management controls are maintained over all funds, property, and other assets for which the Corps is responsible, to assure that they are appropriately safeguarded to prevent misuse, unwarranted waste, deterioration, destruction, or misappropriation.

f. Charts of General Ledger Accounts.

(1) The general ledger is designed so that any and all types of appropriations and funds are accounted for and separate trial balances taken for each, as necessary. The account structure represents an integrated system of budgetary, cost, and proprietary accounts. Where required for management purposes at the local or a higher level, subsidiary ledgers or records are maintained to support and provide details of selected general ledger accounts. By use of data recorded in the general ledger accounts, and supporting records, the requirements for regular reports prescribed by Treasury, OMB, and the Federal Power Commission are readily met.

(2) The general ledger, Chart A - Civil Funds, is provided for use within OCE. Chart A accounts (para 2-21) are designed to control funds available for use by the Corps and allotments of such funds to the various field offices. The accounts of OCE are interlocked with and control key accounts in the field offices.

(3) Separate charts of general ledger accounts, as listed below, are provided for recording all financial transactions in the accounting system in the field offices.

(a) Chart B - General, Special, and Trust Fund accounts (para 2-22) are designed to accumulate a record of all transactions financed by project funds. Budgetary (allotment) accounts are maintained for these funds to show their unobligated or uncommitted status at all times.

(b) Chart C - Revolving Fund accounts (para 2-23) are designed to accumulate a record of all transactions financed by Revolving Fund, Corps of Engineers. Budgetary (allotment) accounts are not required for this fund.

(c) Chart D - Disbursing accounts (para 2-24) are designed to accumulate a record of the disbursing officer's activities for deposits and disbursements of funds (cash) administered by the commanding officer.

(d) Chart E - Deposit fund accounts (para 2-25) are designed to record funds received by either collection or voucher deduction, and deposited into the Treasury subject to subsequent disbursement when certain conditions are met, and to record control data of current and

ER 37-2-10
Change 28
27 Dec 74

accumulated payroll deductions for Civil Service Retirement and Disability Fund.

(e) The general ledger accounts for military activities are contained in ER 37-345-10. These accounts meet the requirements of the Comptroller of the Army.

(4) The system of accounts prescribed by this regulation is readily convertible to that prescribed by the Federal Power Commission.

(5) Under applicable arrangements for supporting and operational districts, a single set of general ledger accounts will be maintained by the supporting districts.

(a) The prescribed subsidiary accounts for Chart B will be subdivided as necessary to separately identify the projects of each district. Reports on ENG Form 3011a for each appropriation will list details and show totals separately for each district and grand totals for all districts. Reconciliation statements on ENG Form 3011b will be on the basis of grand totals; the amounts of apportionment and anticipated appropriation reimbursement activity for the balance of fiscal year will be shown for each district. Subsidiary accounts of the Revolving Fund will be maintained with necessary subdivision to show the costs of the separate districts, although a single general ledger will be maintained and a single set of Revolving Fund reports will be submitted.

(b) Costs of administrative support furnished by the supporting districts will consist of equitable portions of personal services and travel of the administrative and supply functions, plus an equitable portion of miscellaneous expense account 460.20. These costs will be accounted for as direct charges by the supporting district. They will be charged to account 460.25 maintained for the operational districts. In consonance with the above, separate overhead rates will be established for operational districts, based on the total of their own overhead costs and the administrative support costs of the supporting districts. A separate report on ENG Form 3018-series will be submitted for each district.

(c) Disbursement and collection transactions between districts served by a single disbursing account will be on the basis of "intra-district transfer" procedures.

(d) The supporting district will be responsible for preparing and submitting finance and cost reports.

(e) The above policy applies to those field operating agencies not scheduled to install the COEMIS F&A Subsystem. For those field operating agencies scheduled to install the F&A Subsystem, subpara-

graphs (a) thru (c) are not applicable, and separate data bases will be maintained until such time as the COEMIS programs are revised to include the above capability.

g. Accounting Periods. The accounting period for recording actual transactions and accruals is the calendar month. The fiscal * year cycle is from 1 October through 30 September as established by law.

h. Records Management. Standards for disposition of accounting records generated by this system are published in AR 340-18-3.

i. Mechanization.

(1) The methods prescribed in this regulation contemplate the maintenance of accounts on conventional bookkeeping machines or on manually posted records. CONUS Divisions and Districts, including Alaska District, but excluding Huntsville Division and Waterways Experiment Station, will use the COEMIS F&A Subsystem as outlined in subparagraph (3) below.

(2) For the field operating agencies not scheduled to install and use the COEMIS F&A Subsystem, the Chief of Engineers will give consideration to deviation requests to permit efficient utilization of other recordkeeping methods. Proposals for utilization of ADP and EAM equipment will describe deviations from prescribed methods in this regulation in sufficient detail to enable evaluation in the Office, Chief of Engineers. Approval of the proposal will constitute authority to depart from prescribed methods to that extent. Further, specific approval by the Chief of Engineers will not be required as long as specified accounting controls are retained and the content of internal forms and reports is not altered. Expansion or add-on of additional routines which were not included in the original proposal will require approval of the Chief of Engineers. To illustrate, machine listings reflecting voucher numbers, amounts, appropriation and general ledger accounts affected, encompassed in the approved ADPS, may be substituted for prescribed accounts receivable and accrued expenditure register forms without additional Chief of Engineers approval. However, a revised procedure involving the elimination of these records or any significant item of data thereon must be reviewed and approved by the Chief of Engineers prior to its implementation. In every instance, authority must be obtained for the revision of external report forms, such as ENG Form 3011a, and ENG Form 3018 series.

(3) For the field operating agencies scheduled to install the COEMIS F&A Subsystem, (see subparagraph (1) above), the methods and procedures are prescribed in EP 37-2-1 for Revolving Fund activities, EP 37-26-1 for Civil project activities, and EP 37-345-1 for Military functions. The account structure described in this regu-

lation is used with the COEMIS F&A Subsystem. Under this system, programs will not be modified or changes implemented by field installations. The ADP programs are centrally maintained and changes will be published by OCE for simultaneous initiation by all installations operating under the COEMIS F&A Subsystem.

1-6. The Accrual Basis of Accounting.

a. Definition. Accrual accounting recognizes in the accounting records, and in reports prepared therefrom, all transactions and events which have any impact on the financial condition or results of operations of an organization as the transactions or events take place or become effective. Under the accrual basis of accounting, disclosure is made of all changes in liabilities, assets, current cost and expenses, and revenues resulting from transactions or events which affect these items. Obligations are recorded and reported when incurred. Liabilities are recorded when the goods and services are received, assets when acquired or constructed, income when earned, expenses when incurred or when resources are consumed through use.

b. Policy. The Corps accounting system is maintained on the accrual basis as defined above. Such accruals are made on a monthly basis and take into consideration the concept of constructive delivery and constructive receipt.

c. Matching Periods and Costs. The use of the accrual basis assures that the accounting records disclose an accurate and complete picture of the income and expense for a given accounting period and of the financial condition at the end of the period because this basis gives recognition to all phases or stages in the financial process from beginning to end. The accrual basis also readily permits the matching of costs with statistical data regarding the work performed for the same period, and thus provides information useful in the establishment of standards, evaluation of performance and planning for the future.

d. Accrued Expenditures. Accrued expenditures are the charges incurred during a given period requiring the expenditure of funds for goods, properties, services, and other assets. They do not include unfunded costs. Expenditures accrue regardless of when cash payments are made, whether invoices have been received or, in some cases, whether goods or other assets have been physically received. Accrued expenditures provide a means for measuring the fulfillment of planned programs, and furnish essential data for cost accounting, inventory stores, and property accounting.

e. Accounting for Revenues. See paragraph 1-10.

f. Avoidance of Unnecessary Refinements. Unnecessary refinements and undue precision in accounting are to be avoided. However, when an activity is expected to operate on the basis of recovering full costs, as a reimbursable activity, then it becomes necessary that expenses and revenue be accrued with a high degree of accuracy to accomplish the objective of full recovery of costs, including both funded and unfunded costs.

g. Avoidance of Undue Precision. In deciding at which times to accrue, and the frequency and degree of accuracy to be accomplished, the following standards of the Comptroller General are to be observed:

(1) Accounting procedures are as simple and readily understandable as practicable, consistent with the nature of the operations and resources being accounted for,

(2) Excessive details and unnecessary refinements in accounting records are avoided, and

(3) Undue precision in measuring the financial aspects of many kinds of transactions is not justified where judgment is a significant factor.

1-7. Obligations and Cost-based Budgets.

a. General. Standards to be followed in obligation accounting and cost-based budgeting are as follows:

(1) In accordance with the requirements of Public Law 84-863 (31 USC 65-66), and regulations issued by the OMB, the concept of cost-based budgeting is applicable for all programs and administration.

(2) The financial management controls over program operations and administration are exercised through cost targets, where feasible, at the responsible levels of management, in addition to the appropriate use of controls over obligations and disbursements provided for in the design of this accounting system.

b. Obligations. The main purposes of obligation accounting are to provide information, in conjunction with cost data, for use in the formulation and justification of budget requests to the Congress; to assess the status of programs in terms of new undertakings authorized pursuant to commitments for Federal financial assistance; to prevent the overobligation of funds; and to assist in the control, management, and distribution of appropriations, apportionments, and allotments. Because appropriations are in terms of obligational authority, it is

essential that the accounting system provide for accumulating data on obligation authority received (including reserves thereof), used, and available, and for identifying obligations incurred with the applicable appropriation or fund. It is also essential that the accounting system make adequate provisions for assisting management in assuring and demonstrating compliance with any limitations imposed within an appropriation act or as otherwise established by law.

c. Obligation Control and Maintenance Levels. Obligations are controlled, maintained, and reported at the allotment level. Since it is necessary to develop obligation and accrued expenditure data at the levels below the appropriation or allotment level to effectively administer work programs and to furnish necessary data to the Congress, OMB, and the Chief of Engineers, work allowance ledgers or directives are maintained at the activity or project level to reflect the amount of the approved work allowance, or directive, and the status of the allowance. These work allowance records establish targets for subdivisions or classifications below apportionment control levels and are to be distinguished from allotment records established at the district level for the purpose of controlling apportionments and appropriations pursuant to the provisions of Section 3679, Revised Statutes, as amended.

d. Cost-based Budgets. The purpose of cost-based budgeting is to provide an orderly means for formulating future financial plans in terms of anticipated costs to be incurred, and to provide information, in conjunction with historical cost data from the accounts, for use in managing the programs and administrative operations. See paragraph 1-11 for definition of cost.

e. Accounting for Cost-based Budgets. To be able to report on the status of the cost-based budgets and to provide a means of executing activities within cost targets, accounting records of all costs incurred are maintained at each level for which cost budgets have been established, and at each level administratively designated as a point of control. Costs are reported for control purposes to management at all such levels.

f. Status of Funds. Accounts are maintained to provide for accurate disclosure of the status of each appropriation and all other forms of obligational authority in terms of apportionments, allotments, obligations, and expenditures, and where deemed necessary, in terms of reserves and other approvals.

1-8. Internal Control.

a. Objectives. The objectives of a satisfactory internal control system are to:

(1) Promote efficiency and economy of operations.

(2) Restrict obligations and costs to a minimum, consistent with efficiently and effectively carrying out the purposes for which the agency exists, within the limits of Congressional appropriations and other authorizations and restrictions.

(3) Safeguard assets against waste, loss, or improper or unwarranted use.

(4) Assure that all revenues applicable to agency assets or operations are collected and properly accounted for.

(5) Assure the accuracy and reliability of financial, statistical, and other reports.

(6) Provide that disbursements are properly authorized and supported.

b. Standards. The objectives of internal control in the Corps are achieved by:

(1) A carefully planned organizational structure providing for the proper assignment of responsibility between organizational units and between individual officers and employees so as to furnish the necessary delegation of authority and definition of duties.

(2) Segregation of responsibility for duties and functions as between authorization, performance, recordkeeping, custody of resources, and review, so as to provide internal checks on performance and to minimize opportunities for carrying out unauthorized fraudulent or other irregular acts.

(3) A system of forward planning designed to determine and justify needs for financial, property, and personnel resources and to carry out operations efficiently and economically.

(4) Procedures which provide for the safeguarding of funds, property and other resources to prevent misuse, unwarranted waste or deterioration, destruction, or misappropriation.

(5) Proper execution of the procedures prescribed by management after careful consideration of the objective to be accomplished.

(6) Carrying out Corps operations through adopted procedures that are simple, efficient, and practicable as circumstances permit, giving due regard to the nature of the operations and applicable legal and regulatory requirements.

(7) Making each employee accountable for his actions, and fostering a proper awareness on the part of each official and employee of the importance of a faithful, honest, and efficient performance of individually assigned responsibilities.

(8) Personnel assignment to positions only when qualifications and abilities are commensurate with the required duties and responsibilities.

(9) Provision for policing the effectiveness of the prescribed procedures by those responsible for protecting the Governments' interests, and constant review and examination by independent internal audit staffs reporting through the Department of the Army.

c. Segregation of Duties. Responsibility for assigned duties and functions will be segregated between authorization, performance, recordkeeping, custody of resources, and review to provide checks on performance and minimize unauthorized or improper acts. Particular emphasis will be accorded the following:

(1) Employees collecting revenues will not maintain or be in a position to adjust the related accounting records.

(2) Accounts receivable will be established by employees other than those authorizing or furnishing the services, supplies, equipment, etc., giving rise to receivables.

(3) Employees responsible for the maintenance of accounting records do not have authority to make entries in the records writing off accounts receivable, property, or other assets unless so directed in writing by those holding such authority.

(4) Employees responsible for purchasing property will not keep related financial records or have sole authority to approve the transfers, sale, or other disposition of property.

(5) Employees responsible for custody or accountability of property will not be relied upon exclusively to take physical inventories.

(6) Employees responsible for purchases will not receive invoices directly from vendors, or the accounting copy of receiving reports directly from consignees.

d. Document Control. Some of the more important principles of control over documents which the accounting system adheres to are as follows:

(1) All financial documents involving obligations, payments, and cost distribution, such as purchase orders, contracts, accounting copies of receiving reports, vendors' invoices, and time and attendance reports will be forwarded directly to the F&AO by the originator.

(2) The F&AO will establish controls to verify that all required documents are received.

(3) Transactions recorded in the accounting records will be supported by documentary evidence which becomes part of the accounting records.

(4) The accounting system is designed to minimize the establishment and maintenance of records which duplicate or overlap those maintained by the F&AO.

(5) The accounting system includes a formalized procedure for the administrative accountability and control of unused blank stocks of transportation requests, Government bills of lading, and other documents requiring such control. The procedure includes assignment of specific responsibility for procurement and control of stock inventory, and for the safeguarding, distribution, and annual inventory thereof.

e. Control of Cash and Negotiable Instruments Received. These receipts will be controlled as follows:

(1) Control over cash and other negotiable instruments is established at the point of receipt, and procedures are designed to determine that all amounts received are deposited or otherwise accounted for.

(2) Fireproof safekeeping facilities will be maintained for cashiers and collection officers.

(3) Control over incoming mail will be established to assure that all receipts of cash and other negotiable instruments are placed under accounting control.

f. Control of Disbursements. Control of disbursements includes:

(1) Determination by procurement personnel that needed goods and services are procured in accordance with applicable laws, Federal Procurement Regulations, and policies of the Chief of Engineers, including consideration of whether terms to the Government are the most advantageous, with price and other factors having been adequately considered.

(2) Documentary evidence that goods and services were received and that the quantity, quality, terms, and prices are in accordance with applicable procurement instruments before payment is made.

(3) Examination of documents and certification of vouchers prior to payment to insure compliance with laws, regulations, contracts, agreements, purchase orders or other authorizations, and that all administrative determinations and conditions precedent to payment have been met.

(4) A single set of original documents for each transaction to assist in precluding duplicate payments.

(5) Periodic and unannounced inspections of imprest funds will be made. All subvouchers to the cashier's reimbursement vouchers will be examined for legality and compliance with imprest fund regulations.

g. Accounting Controls. A system of general ledger and subsidiary accounts is maintained for assets, liabilities, proprietary interest of the US Government, revenues, and costs. Accounts are reconciled and differences investigated according to the following schedule:

(1) General ledger trial balances are prepared monthly.

(2) General ledger control accounts are reconciled monthly with the subsidiary accounts or records.

(3) General ledger accounts for outstanding obligations and accounts payable are reconciled quarterly with the pertinent documents. Obligation documents are reviewed at the end of each fiscal year to verify the validity of outstanding obligation balances as of that date in accordance with Section 1311, Supplemental Appropriation Act of 1955 (31 USC 200).

(4) Quantitative property accounts will be reconciled with a physical inventory taken periodically, but no less than once in each three-year period.

h. Internal Audit. The Army Audit Agency provides continuous audit review of the Corps accounting system and operations. The findings of audit reports will be appraised and utilized to strengthen and improve the principles, standards, and procedures of the accounting system.

1-9. Fund and Accounting Control.

a. General. The Corps obtains spending authority from the Congress through appropriation acts and basic legislation which authorize the incurring of obligations within the limits specified in such acts. The term "fund control" refers to the various policies, procedures, and records used by the Corps to control the use of obligation authority, and to assure that obligations do not exceed the amounts appropriated (or otherwise made available), apportioned, or allotted.

b. Administrative Fund Control. Regulations for the administrative control of funds are contained in ER 37-1-1 and Chapter 5 of this regulation. The Department of Army policies and procedures for administrative control of funds, as contained in AR 37-20, are applicable to the Civil Works appropriations of the Corps of Engineers (paragraph 3, AR 37-20).

c. Level of Fund Control.

(1) The accounting system provides fund control procedures to assure that:

(a) Funds are used for authorized purposes,

(b) Obligations do not exceed the amounts authorized.

(2) Fund control is exercised through the use of allotments, work allowances, and directives. The amount of the allotment is the controlling or limiting factor. For each appropriation involved, an amount is specified. Because of the diversity of the programs and activities of the Corps, designation of amounts by appropriations to the district engineers is considered as the highest level of accounting for management purposes. With the cost-based operating budget, and work allowance procedures, the necessity of making allotments to low levels is reduced to a minimum. The allotment and work allowance system serves five significant purposes:

(a) Distributes financial authority among organization components.

(b) Places control over the use of obligations and expenditures with responsible officials of the Corps, allowing each to administer the funds and to effect economies in particular activities within his jurisdiction.

(c) Provides a basis for keeping obligations within limits of apportionments and appropriations in order not to violate the Anti-Deficiency Act.

(d) Fosters careful planning and scheduling of programs to assure sufficient funds throughout the year.

(e) Serves as the basis of financing and controlling a cost-based budget for the various organization units.

d. Accounting Entities. The Corps activities are grouped and accounted for in several basic accounting entities. An accounting entity is a fund, a group of appropriations, or any subdivision of the Corps, for which a complete self-balancing system of accounts is maintained, and for which separate financial reports are required. Separate accounting entities will be kept so as to meet legal requirements. The several accounting entities of the Corps are:

(1) General and Special Funds. These accounting entity groups are used for all general and special funds appropriations of the Corps.

(2) Trust Funds. Funds may occasionally be received from local interests in conjunction with Corps projects, and are handled as trust funds.

(3) Revolving Fund. This accounting entity represents a working capital fund established for the purpose of financing on a continuing cycle of reimbursable activities with receipts derived therefrom being available in their entirety for use by the fund without further action by the Congress.

(a) The Office, Chief of Engineers transfers among districts maintaining the accounting records the funds required to finance activities within the scope of the Revolving Fund.

(b) In order to assure the recovery of all costs of services financed with the Revolving Fund, repayments will include charges for all costs, including depreciation of plant and facilities, accrued leave, overhead, and all other related expenses, without loss or gain to the Revolving Fund, with the objective of maintaining the corpus of the fund intact.

(c) Since operations of the Revolving Fund are financed by repayments for services and property sold, it is incumbent on those responsible for its management to maintain strict economy in expenditures and to convert expenditures to collected income in the shortest possible cycle. In view of this principle of financing through repayments, budgetary (allotment) accounts are not required for the Revolving Fund. (Chart C.)

(4) Deposit Funds. Monies to be temporarily held in a suspense account or by the Government as a fiscal agent are deposited to establish deposit funds from which disbursements may be subsequently made. These include employee payroll savings bond deductions, and withheld payroll taxes, in addition to miscellaneous collections for which the ultimate disposition cannot be readily determined.

1-10. Revenues.

a. Accounting for Revenues. Revenues represent amounts earned which by law are credited to receipt accounts. Separate general ledger accounts are established to reflect the categories of revenues. Revenues will be accrued and reported monthly. The following principles govern in accounting for revenues:

(1) Revenue transactions will be recorded in the month they are earned, or otherwise determined to be due the Government on the basis of performance by the Corps, and the records clearly indicate data regarding bills issued.

(2) All revenue will be billed and collected as promptly as possible.

(3) Appropriate accounts are provided to facilitate clear and full disclosure of the nature of the revenues in the financial reports.

(4) Any amounts received by the Corps in advance of performance or other basis of establishing a valid claim therefor will be recorded as a liability until the revenues are actually earned.

b. Segregation of Receipts between Income and Capital Credits. Receipts will be appropriately classified between income and capital credits based on the nature or purpose of the receipt.

1-11. Costs.

a. Nature of Costs. Cost is the amount of any expenditure of funds or any distribution or summation thereof incurred in the performance of the acquisition, construction, maintenance, or operation of property or performance of service. It also includes the actual or appraised value of property or service obtained without charge (unfunded). Cost information provides a common financial denominator for the measurement and evaluation of efficiency and economy in terms of resources used in performance.

b. Accounting for Costs. The Corps cost accounting system provides a means by which the total costs may be allocated on an ac-

crual basis equitably and with a reasonable degree of accuracy to the various work components as work is performed. The system has been designed to accumulate cost data to meet requirements of budgeting, programming, and reporting, and for use by operating personnel as a management control tool. It can be expanded or contracted to meet the needs of the various programs, with varying degrees of detail, depending upon the circumstances, sizes, and conditions. District engineers may establish for their own use additional subfeatures or further breakdown within the accounts. All cost accounts, except certain shops and facilities detailed accounts, are maintained by the District Cost Accounting Section.

c. Relationship to General Ledger. The accounting for costs is an integral part of the Corps accounting system, under appropriate general ledger control.

d. Cost Reporting Level. Costs will be accumulated and identified to units of work (features and subfeatures) and specific projects summarized and reported at each successive level of responsibility (Organization, Budget Activities, and Program Structure). The levels of responsibility at which cost accounts will be maintained are determined on the basis of need and usefulness of the data.

e. Objectives. The system of accounting for cost provides data useful for:

(1) Making decisions and planning future operations through the knowledge of the full cost of a job, work unit (feature, subfeature), activity, or program.

(2) Evaluating efficiency and economy of performance by comparing performance costs to established standards and planned costs, and by comparing with like projects, activities, or programs in other areas and in other time periods.

(3) Establishing standards of performance.

(4) Determining efficient and effective use of resources.

f. Basic Cost Principles. The accounting system provides for reasonably complete and accurate accounting for costs as follows:

(1) Elements of Cost. The cost accounting system provides for recording the cost of direct labor and material resources consumed; other direct costs; unfunded costs; and distribution of overhead by established methods or rates. The cost records thus provide data for comparison of various work components and elements of cost of

one job with those of similar jobs or estimates, and in case of differences, furnish data to engineers and work supervisors which enables discovery of the cause of such differences.

(2) Unfunded Costs. Costs incurred for a specific purpose will not be limited to those that are funded. If elements of cost are unfunded or financed by other programs, appropriations, or agencies, provision is made to identify such costs with the benefitting programs or activities.

(a) Costs Incurred and Paid for by Other Agencies. The costs incurred and paid for by other agencies in carrying out Corps operations and not requiring Corps reimbursement are considered as unfunded costs. When significant, these costs are to be included in the total costs of operation, including the revolving fund. Such costs will be obtained from the performing agency and disclosed separately in the Corps financial reports.

(b) Depreciation. Depreciation is the measure of the reduction in value of property consumed through use in carrying on a program or activity. Depreciation accounting is an integral part of the Corps cost accounting. It is a system of accounting the purpose of which is to distribute the cost less salvage of the useful life of the unit in a systematic manner. Also, depreciation accounting is to reflect this cost in the operating accounts thence to the program or activity accounts for the purpose of determining the financial results of operations including the revolving fund, reimbursements for services performed, total cost of in-house construction of property to be capitalized, total costs as required by law, and total costs for making cost comparisons, performance evaluation and planning. The principal factors responsible for depreciation are ordinary wear and tear, and obsolescence. The straight line method of depreciation is used in the Washington Aqueduct and the revolving fund accounts. The compound interest method is used with multiple purpose projects.

(c) Leave. (See para 1-11f(11).)

(3) Unit Costs. Cost accounting techniques include data relating to performance or output so as to produce unit cost information.

(4) Interface with Other Data. The system of accounting for costs is integrated with other management systems to insure a tie-in of all related data for the same period; and the subsidiary cost accounts and records support the general ledger control account balances.

(5) Historical Data. Each segment of the cost accounting system provides for the accumulation of historical cost data for use in developing standards and making historical comparisons.

(6) Cost Finding. Where cost data not regularly produced on a recurring basis is required, appropriate use is made of analytical and sampling methods as cost finding techniques.

(7) Cost Accounting for Interest.

(a) Interest is computed on all projects which have one or more reimbursable purposes included in the authorizing legislation. Appropriate interest computation procedures and rates are utilized following the guidelines found in the Department of the Interior Secretarial Order No. 2929, dated 29 January 1970, and as required by the authorizing legislation.

(b) Projects having reimbursable purposes are currently handled in two funded phases--the investment or capital plant accounts which consist of construction costs including interest during construction and ordinary maintenance expense and/or income accounts, sometimes referred to as working capital accounts which include interest during operation.

(c) Interest is computed on the unamortized investment in the capital plant accounts using either the interest rate which was used in the justification data submitted to the Congress in support of the request for an appropriation that resulted in the actual initial appropriation of construction funds for the projects, or for the more recent projects, the Department of Treasury yield rate in effect at the time the initial appropriation of funds is made for the project, modification, or major addition. Interest is computed on the current year operation and ordinary maintenance expense and/or income using (effective with FY 73) the current annual interest rate as determined by the Department of the Treasury.

(8) Segregation of Expenditures between Capital and Expense Items. Accrued expenditures are appropriately classified between capital outlay and expense. All property acquired is capitalized, except the minor items of equipment which do not warrant itemized property accounting (para 1-13d) are charged to expense.

(9) Indirect and Overhead Costs. Costs are determined and accumulated as directly identified with a specific job, work unit, activity, or program. Those costs which cannot be directly associated are referred to as indirect or overhead costs. District overhead is the cost of operation of the district office financed by the Revolving Fund indirectly applicable to all activities supervised by it. Individual accounts are maintained to record separately all expenses accrued in each organizational element. These accounts are credited with the expenses accrued that are directly applicable to any of the activities

supervised. The balances in these accounts represent district overhead. District overhead is billed periodically to the operations supervised. Overhead applicable to construction and to operation and ordinary maintenance projects is charged to the budgeted project feature Supervision and Administration. However, overhead applicable to other activities is charged thereto. The costs of operating the Office of the Chief of Engineers and of the division offices are budgeted for separately, and the actual costs are not distributed to district or project level, but remain as expenses of executive direction and management as provided in the budgets.

(a) Simplicity. Accumulating costs by areas of assigned responsibility does not satisfy all of the needs of the Corps for cost data. The cost of projects, programs, principal missions, and the like involve cost items to be recognized in the accounting system and which cut over many lines of responsibility. The system for distributing indirect and overhead is such that cost data is extracted from the accounts to disclose costs by major areas of responsibility. In making allocations of indirect costs or overhead, various units of measurement are used which permit distributions to be made on the basis of the benefits accruing to the various cost groupings, and which produce reasonably reliable results.

(b) Consistent Methods. Allocations of indirect and overhead in accumulating costs for similar purposes follow consistent practices and procedures.

(10) Gains and Losses. All realized gains or losses on exchange transactions, representing differences between values received and the investment in equipment or materials exchanged, are disclosed in the accounts and in financial reports on operations. Other losses which are incurred, including discounts not taken, are recognized in separate accounts and disclosed in financial reports based thereon.

(11) Accounting for Labor Costs. Labor includes the costs of all personal services utilized in the accomplishment of the mission, including the Government's share of employee fringe benefits. The system accounts for pay, leave, and allowances; and authorized deductions from pay for quarters and subsistence, retirement contributions, FICA taxes, savings bonds, income tax, etc. The system provides for charging labor costs to cost accounts each pay period using effective time rates. The factor for annual leave is based on average earned leave of employees and other paid leave is based on an estimate. Under this method the cost rates for regular time labor consist of actual pay rates increased to include a factor for all leave with pay. This method charges cost accounts for time actually worked at a rate which will absorb the amount of pay for leave, holidays, and severance

ER 37-2-10
Change 50
2 Dec 83

pay entitlements. Labor costs are charged to cost accounts in multiples of full hours only. Charges for working time are rounded to the nearest whole hour.

(12) Pay, Leave, and Allowances. The Corps payroll accounting system provides for the processing of pay, leave, and allowances in a prompt and efficient fashion, with strict controls to ensure adherence to statutory requirements and compliance with the principles and standards for payroll systems prescribed by Title 6 of the General Accounting Office Manual for the Guidance of Federal Agencies. Principles and standards applicable to pay, leave, and allowances due Corps personnel are as follows:

(a) Specific designation of responsibility for time and attendance recording.

(b) Performance of payroll computations and accounting for leave using electronic data processing methods.

* (c) Central preparation of payrolls for the entire Corps at the Omaha District except for Europe Division, Pacific Ocean Division, and employees at HQUSACE/OCE assigned to the DA staff. *

(d) Maintenance and reconciliation of subsidiary accounts representing earnings, retirements, and other deductions to general ledger control accounts.

(e) Maintenance and update of individual master records, by employee each payroll period, to reflect the pay and leave status as accumulated from the date of employment and, annually, by earned pay.

1-12. Cash and Receivables.

a. Accounting for Cash. The accounting system provides for complete and accurate accounting for all cash receipts, disbursements, and fund balances as follows:

(1) Appropriate records of all cash received are made immediately upon receipt and prior to deposit.

(2) All receipts are deposited on a daily basis, insofar as practicable, in an officially designated depository.

(3) Disbursements are recorded promptly on a check-issued basis for each appropriation or fund.

(4) Separate accounts for categories of cash resources are maintained.

(5) Division of duties is made among individuals assigned responsibilities for handling and keeping records of cash transactions to provide for effective controls relative to receipt, recording, and accounting.

b. Accounting for Receivables. Under the accrual basis of accounting, receivables representing amounts due from others are accounted for as assets from the time the acts giving rise to such claims are completed until they are collected, converted into other resources, or determined to be uncollectible. The accounting system provides for accounting for receivables as follows:

(1) Recorded as Earned. Accounts receivable are recorded in the accounting records in the period in which earned. Amounts received in advance of performance are accounted for as deferred credits until the revenues are earned. Individual debtor records are maintained.

(2) Advances and Prepayments. Advances and prepayments are recorded as assets. When performance occurs, the cost of performance is recorded and the prepayment or advance account is reduced accordingly.

(3) Classification. Appropriate accounts for categories of receivables to distinguish between reimbursements to appropriations and refunds are maintained to disclose the nature of those resources in the financial reports.

(4) Review of Receivables. Accounts receivable and document records are reviewed monthly.

(5) Review of Amount of Advances. A quarterly review of advances to imprest funds is made to determine whether the amount of outstanding advances is restricted to the minimum amount.

(6) Reconciling Subsidiary and Control Accounts. Balances in the general ledger control accounts are reconciled monthly with the records of individual accounts receivable. The accounts and subsidiary records shall also separately identify intra-Governmental and non-Federal receivables.

(7) Write-off of Uncollectibles. Accounts receivable authorized by Public Law 89-508 (31 USC 951-953) to be comprised or settled by the Corps are written off only after all efforts to collect have failed and such write-offs have been approved by authorized officials who do not maintain the individual accounts. Uncollectible receivables required by regulations issued by the General Accounting Office to be

ER 37-2-10
Change 28
27 Dec 74

transferred to that agency for collection are written off to appropriate accounts at the time of transfer.

1-13. Property Accounting.

a. General. ER 735-2-1 provides instructions for item accountability of property.

b. Definition of Property. The word property relates to all capital assets, real and personal, of a durable nature which are capitalized in the asset accounts, including stores inventories.

c. Accounting for Property Value. The accounting system provides for accounting for property as follows:

(1) Accounting control over property is maintained as an integral part of the accounting system.

(2) The basis of accounting for property is cost, including transportation, installation, and other costs of putting the property in the form and place to be used. Where cost is not known, estimates of value are used. Handling and storage charges applicable to stores items are considered as part of warehouse operating costs (Chapter 6, para 12).

(3) Classifications to disclose the nature, and status of the property are established in the cost ledger. Property purchased, transferred from other agencies, or obtained by other means is recorded in the appropriate general ledger asset and cost accounts at the time of acceptance, acquisition, or construction.

(4) Property general ledger control accounts are maintained by the F&AO.

(5) The general ledger control accounts for real and personal property are supported by subsidiary cost accounts. Property records identify, classify, and segregate the various types of property and include the values at which recorded, quantities of each item, and the responsible employee.

(6) A single set of property records is used for property management purposes. Usage checks identify excess or surplus property subject to transfer or disposal and property otherwise not in use.

(7) General ledger control accounts are reconciled with the related subsidiary cost accounts on a monthly basis.

(8) Entries to both the valuation accounts and detailed property records are made from the same source documents. These documents are used to determine whether the property is to be capitalized or charged to operations, disclose the value, and also identify, classify, and segregate the types of property and the responsible employee.

(9) All receipts, issues, and adjustments of property are fully documented.

(10) The accounting copies of receiving reports, properly signed, are forwarded directly to the accounting activity.

(11) The cost of assets in process of construction is recorded in the work order cost accounts which disclose the nature of the asset being constructed. Upon completion, accumulated costs are transferred to the appropriate asset accounts. Accounting for cost of constructed assets includes all material elements of costs, and controls will be exercised to assure that costs are kept within authorized amounts.

(12) Warehouse stock is valued and costed using weighted average and is brought back to inventory if unused at the same amount. If used, it is brought back to inventory on an estimated value basis.

(13) Repair and maintenance costs incurred to keep property in satisfactory operating condition shall be accounted for as current operating costs.

d. Capitalization. Property is capitalized as follows:

* (1) Useful Life. An item that has a useful service life of one year or more and also a unit acquisition cost of \$1,000 or more, will be capitalized. *

(2) Cost Limitation. The dollar limitation point at which property is recorded has been established as \$1,000, (see d (1) above) exclusive of transportation costs. Purchase of like items of property will be capitalized even though the unit value of the item is less than the amounts in para d (1) above, if the items are for initial outfitting of an office or facility, or for the replacement of substantial quantities of such items pursuant to OCE determination. However, accountability (property records and physical inventory) would not be required for such items. Replacement of small quantities of such items is considered maintenance and will be expensed.

(3) Land. Land purchases are capitalized at the acquisition price plus all costs incidental to the acquisition and to the preparation of the land for use.

(4) Roads. Roads are capitalized on the basis of original cost plus the cost of additions, betterments, rehabilitation, or replacements which extend the useful life of these assets.

(5) Building and Other Structures. Buildings and structures, including such items constructed on leased land to which the Government retains title, are capitalized on the basis of original cost plus the cost of additions, betterments, rehabilitation, or replacements which extend the useful life of the building or structure.

(6) Equipment. Equipment is capitalized on the basis of original cost. Equipment consists of all nonexpendable items of machinery, implements, tools, furniture, vehicles, and other apparatus which have a continuing use as self-contained units and do not become a fixture or lose their identity as a component of other equipment. The minimum dollar unit value for capitalized costs and property accountability is \$1,000 (see d (1) above) for an item when it is acquired. Although items of less than \$1,000 are not to be capitalized, pilferable items subject to pilferage such as laboratory equipment, tools, calculators, and cameras must be properly controlled through property accountability records. Also, detail item accountability and control for all items of furniture, fixtures, and office equipment costing between \$300 and \$999 will be maintained in the property records. Further control is exercised through property receipt and usage check procedures.

(7) Leasehold Improvements. Permanent improvements to non-Government-owned buildings and structures which are occupied by the Corps as lessee are capitalized as leasehold improvements on the basis of the cost thereof to the United States.

(8) Transfers from Other Government Agencies. Reimbursable transfers of property acquired are recorded at the transfer price agreed to or in accordance with regulations issued by General Services Administration, but at not less than its estimated useful value. Property transferred to the Corps on a non-reimbursable basis is recorded on the basis of estimated useful value to the Corps.

(9) Property Acquired by Donation or Forfeiture. Property acquired in this manner or at a nominal amount is recorded at the estimated fair market value.

(10) Retirements. When pursuant to proper authorization property is retired from service and dismantled, destroyed, transferred, sold, or otherwise disposed of, the cost or other basis of accounting is removed from the accounts along with any accumulated depreciation. Removal costs shall be considered in determining the loss or gain on retirements.

(11) Trade-ins. The cost of property acquired as a result of trade-ins is measured by the cash paid or payable, plus the amount allowed by the seller on the traded-in property. The Corps does not trade in large significant plant items.

(12) Purchase Discounts. In determining cost of purchased property, discounts are deducted from the prices billed. Such discounts are reductions of costs, representing savings achieved through payments of bills within the vendors' stipulated time limits. These do not constitute income and are not accounted for as such.

(13) Late Payment Penalties. Late payment penalties (lost discounts) are a cost of operations incurred because of failure to make payment within vendor's stipulated time limits. The amount of such loss or cost will be charged to a separate account within the overhead group of accounts.

e. Accounting for Property of Others. Records are maintained for any property held but not owned by the Corps.

f. Physical Inventories. Physical inventories of nonexpendable property and warehouse stock are taken no less than once each three-year period. The inventories are not all required to be taken as of the same date, but are taken on a cyclic basis.

(1) Participation by the Accountable Property Officer. Because one of the purposes of taking physical inventories is to determine the existence of property recorded in the accounting records, the Accountable Property Officer (APO) participates in the planning and establishment of procedures for the physical inventory. The APO may also observe the actual counting of the items to be satisfied as to the accuracy of the results which serve as the basis for adjustment of the accounting records.

(2) Responsibility for Physical Inventory. Employees responsible for the custody or accountability of property are not relied on exclusively to take physical inventories.

(3) Inventory Listings. A list of property charged to the responsible employee is prepared by the APO.

(4) Reconciliation and Adjustment of Accounts. The reconciliation of the subsidiary property accountability records with the results of physical inventories is a function of the APO and is performed by property personnel. The property records are adjusted to agree with the results of physical inventories when adequately supported by approved reports. Quantity differences between physical and recorded

amounts are independently investigated to determine the cause of such differences, and to identify action to be taken to preclude future occurrences.

(5) Documenting Physical Inventories. Physical inventories are documented to show the procedures followed, the individuals participating therein, and the support for any adjustments to be made in the accounting records.

1-14. Liabilities. Under the accrual basis of accounting, liabilities represent amounts payable to others, as a result of the receipt of funds, property, or services. The accounting system provides accounting for liabilities as follows:

a. Period of Recording. All liabilities of the Corps are recorded in the accounts in the period in which incurred; and removed from the accounts in the period in which they are paid.

b. Liabilities Which are to be Recorded. Amounts to be recorded as liabilities represent the amounts actually accruing under contractual or other arrangements governing the transaction, including operating expenses incurred but not paid. In instances where the amount of the liability is not definitely established, the best available estimate is recorded; and adjusted when definite information becomes available.

c. Availability of Funds. Incurred liabilities are accounted for and reported irrespective of whether funds are available for their payment.

d. Account Classifications. Separate accounts for categories of liabilities are maintained to facilitate disclosure of the liabilities, including distinguishing between long-term and short-term, as well as Federal and non-Federal liabilities.

e. Working Fund Advances. Advances received from others for materials or services are recorded as liabilities and reduced as the services are performed or the materials delivered.

f. Reconciliation. General ledger accounts are reconciled quarterly with the related liability documents.

g. Prompt Payment. Payments are made promptly when due and in time to take advantage of discounts offered by vendors.

h. Contingent Liabilities. Records of contingent liabilities are maintained as part of the accounting system and disclosed and explained in financial reports.

i. Leave Liability. When employees earn the right to take annual leave, a liability accrues for the leave that is earned. The actual liability for annual leave is determined as of the close of each fiscal year, and at the close of the leave year. Any adjustment of the liability account at the end of the fiscal year is recorded and disclosed in the accounting records and financial operating statements as an adjustment to operating costs for the year. The full amount of the liability is shown in the statements of financial condition (para 1-11f(11)). Unfunded leave liability is recorded separately from funded leave liability in the revolving fund.

1-15. Equity of the US Government.

a. General. The United States equity in the Corps consists of the total assets less all known liabilities and investments of equities of others.

b. Accounting for Investment. Separate accounts are maintained to disclose all elements of the Government's investment. Accounts are maintained to provide for disclosure of the status of all appropriations and other sources of obligation authority in terms of apportionments, allotments, obligations, expenditures, revenues, disbursements, collections, and reimbursements.

c. Equity Accounts. The accounts consist of the following:

(1) Additions to Investments.

(a) Congressional appropriations.

(b) Property and services obtained without reimbursement.

(c) Accumulated net income from operations, determination of which shall include all costs of operations and revenue earned during the reporting period, with the exception of adjustments applicable to prior years. Extraordinary items shall be shown separately from the results of ordinary items in the statement of operations. Direct charges to accumulated net income shall be restricted to distribution of income to the Treasury and prior period adjustments.

(2) Reductions of Investments.

(a) Appropriations and funds returned to US Treasury.

(b) Property transferred to other Federal agencies without reimbursement or transferred to others without reimbursement.

(c) Accumulated excess of expenses over income from operations.

1-16. Financial Reporting.

a. Objective. The accounting system is designed to facilitate the timely preparation of all needed financial reports. Such reports are designed to disclose facts about the operations and activities to be of use to management, and to meet prescribed external requirements.

b. Standards. The following standards apply to all types of financial reports:

(1) The pyramidal concept of reporting applies. Reports are designed to provide for the accumulation of cost and financial information to satisfy the needs of the management level where the information is used to exercise financial control over resources and promote efficiency and economy of operations. The amount of detail is condensed into more summarized data at each successively higher management level.

(2) Reports provide for disclosure of the financial results of operations for the period covered. To meet the statutory objectives of full disclosure, the production of financial information for management, and the support of budget justifications, the accounting system provides for accumulating and reporting cost data.

(3) The accounting system records are the source for all official financial data used in preparing financial reports.

(4) Reports are prepared and issued on a timely basis to be responsive to internal and external requirements, including those of the Congress and the control agencies.

(5) Provision is made for complying with legal and other requirements relating to the preparation and issuance of reports.

(6) Reports are complete, reliable, and clear; reveal their purpose and the period covered; and simple as possible to serve the intended purpose. Reports provide the basis for determining deviations from plans, limitations, or goals, and to unsatisfactory conditions. Performance in relation to statutory or other limitations prescribed by higher authority is reported.

(7) All reports include the transactions to and including the end of the reporting period within the limitations of reporting dates.

(8) Data is reported on a consistent basis from one period to another. All reports are in agreement with all other reports which cover the same information and have the same cut-off date.

(9) Consistent and nontechnical terminology is used for purposes of clarity and uniformity.

(10) Reports and related reporting procedures are reviewed at least annually to ascertain that information included is useful and needed by the persons for whom prepared.

c. Basic Financial Reports. Basic financial reports include:

(1) Quarterly statements of assets and liabilities (balance sheets).

(2) Statements of operations of programs and budget activities including the status of operating income and expenses of the revolving fund are prepared monthly for local use. Extracts of these reports are prepared for OCE use, and the complete reports are prepared quarterly for OCE use.

(3) Quarterly statements of changes in financial position (sources and application of funds).

(4) Monthly statements of status of appropriations or other individual funds.

(5) Quarterly statements of changes in investment of the United States.

(6) Statements of costs incurred by areas of responsibility, project, activity, function, etc., and by programs and PPBS categories are prepared monthly for local use and quarterly for OCE use in comparison with budgeted costs and other standards.

d. Other Financial Reports. In addition to the reports listed, specifically designed reports are developed to meet the needs of the various levels of management in accordance with their respective assignments of responsibility. The objective is to provide each level of management as needed with financial information related to its area of responsibility to assist it in performing a more effective and economical operation. The format, content, and frequency of such reports are tailored to meet the needs of each level or group.

e. Combined Statements. Combined or consolidated statements covering two or more entities are prepared when deemed appropriate.

CHAPTER 2
GENERAL LEDGER ACCOUNTS

<u>TOPIC</u>	<u>PARAGRAPH</u>
Purpose	2-1
General Classification of Accounts	2-2
a. Balance Sheet Accounts	
b. Operating Accounts	
The General Ledger	2-3
Subsidiary Ledgers	2-4
Arrangement of Ledgers and Accounts	2-5
Relationship of Accounts to Reports and to Books of Original Entry	2-6
Basic Numbering System for General Ledger Accounts	2-7
Pro-Forma Journal Entries	2-8
Basic Documents and Books of Original Entry	2-9
a. Original Documents	
b. Design of Basic Document Forms	
c. Analyzing and Coding of Documents	
d. Registers	
Transfer of Projects between Districts	2-10
Transfer of Projects to Other Federal Agencies or Local Interests	2-11
Definition of Multiple Purpose Projects	2-12
Reserved	2-13 thru 2-20
Illustration 2/1 - Interrelation of the Functions of Budgeting, Programming and Accounting	
Illustration 2/2 - Chart Showing Relationship of Documents to Books of Original and Secondary Entry	
Illustration 2/3 - General Plan of Account Numbering System	
CHARTS OF GENERAL LEDGER ACCOUNTS	
Chart A -Office, Chief of Engineers	2-21
Chart B -General, Special and Trust Fund Activities	2-22
1	2-0

ER 37-2-10
1 Apr 69

TOPIC

PARAGRAPH

Chart C - Revolving Fund Activities

2-23

Chart D - Local Disbursing Officer

2-24

Chart E - Deposit Fund

2-25

2-0

11

CHAPTER 2

GENERAL LEDGER ACCOUNTS

2-1. Purpose. The purpose of this section is to explain (a) the general classification of the accounts, (b) ledgers to be maintained, (c) arrangement of ledgers and accounts, and (d) relationship between the various ledgers and control accounts.

2-2. General Classification of Accounts. The accounts for the regular civil work activities of the Corps and the Revolving Fund are divided into two general classes or groups, namely, balance sheet accounts and operating accounts.

a. Balance Sheet Accounts include asset accounts, grouped as (1) plant and equipment (fixed assets), (2) current and accrued assets, and (3) deferred items; net worth and liability accounts, grouped as (1) the proprietary interest of the United States Government, including results from operation, (2) current and accrued liabilities, and (3) reserves.

b. Operating Accounts. While the general ledger accounts are established as a minimum, the subsidiary accounts for general activities are grouped according to the operating functions of the Corps, that is, navigation, flood control, multiple purpose projects, etc. Likewise, the subsidiary income and expense accounts of the Revolving Fund are grouped according to departments and activities. The results from operation of the various functions and activities are reflected in the income and expense accounts and the operating statements. The income and expense accounts are directly related to and tie-in with the balance sheet through their effect on the "results from operation" or "non-reimbursable cost."

2-3. The General Ledger. The general ledger is the record in which all transactions are summarized. The general ledger constitutes an integrated system of accounts which contains all the accounts relating to property, cost and operating accounts as well as the budgetary accounts. Since the basic financial reports and statements are prepared from the general ledger, and the related subsidiary ledgers, it constitutes the main control point of the accounting system. General ledgers are maintained at two levels of operation, namely, the Office, Chief of Engineers, and district offices. The accounts in the Office, Chief of Engineers and those at the district accounting offices are interlocked by means of reciprocal accounts established on the principle of branch office accounting. In general, detailed accounting is decentralized to the district offices.

2-4. Subsidiary Ledgers. Certain general ledger accounts prescribed in Charts "B" and "C" are control accounts. They are supported by detail accounts referred to as subsidiary accounts. The total of the balances in the accounts of the subsidiary records must agree with the balances

1 Apr 69

of the control accounts in the general ledger. The subsidiary records consist of such records as detailed plant and property accounts, equipment accounts, construction cost accounts, operating accounts, and fund accounts.

2-5. Arrangement of Ledgers and Accounts. All financial statements as well as any budgetary statements prepared on past accomplishments are derived from the general ledger and subsidiary ledgers. The accounts are arranged in the order in which they will appear in most financial statements and budgetary statements, and thus facilitate the preparation of the financial statements. The general ledger accounts and related subsidiary cost accounts are also arranged to provide for the disclosure of any undistributed expenditures such as construction facilities undepreciated, stores and clearing accounts, in order that a direct reconciliation can be made between the cost of the work performed and the funds obligated for the particular project or activity. Illustration 2/1 shows the relationship of cost accounts to budgetary accounts and the method of reconciling the two factors.

2-6. Relationship of Accounts to Reports and to Books of Original Entry. Illustration 2/2 shows the relationship of the various documents, books of original entry, and ledgers, and illustrates the flow of accounting information starting with the basic documents and ending with the reports and financial statements.

2-7. Basic Numbering System for General Ledger Accounts. In order to further simplify and standardize the accounting procedures, a uniform account numbering system has been devised whereby separate series of numbers are assigned to each of the general ledger charts of accounts as well as to the detailed subsidiary cost accounts. (See Illustration 2/3)

2-8. Pro-Forma Journal Entries. The pro-forma entries presented are samples of a number of the transactions that can be expected to occur. They do not, however, cover all types of transactions that may arise. The entries are in brief form. The subsidiary accounts that may be affected are not shown in detail, and explanations that should be a part of all except the most self-evident entries are omitted. Postings to the general ledgers will be from journal entries in every instance where registers are used to assemble similar transactions. A journal entry will be prepared from the debits and credits reflected by each register and the posting will be made to the general ledger accounts from the journal entry. Separation will be maintained on those accounts requiring such, as outlined in the descriptions of the general ledger accounts, as to appropriations, projects, etc. Such separations are not shown in the sample entries, but should be kept in mind when preparing journal entries.

2-9. Basic Documents and Books of Original Entry.

a. Original Documents. The recording of accounting transactions actually begins at the time the transaction takes place. Document forms have been designed to furnish the necessary information regarding the

transaction in order that they can best be utilized as the media for making entries. For example, receiving reports form a basis for preparing bureau vouchers for entering the liability in the Accrued Expenditures Registers, and if unpaid, the bureau vouchers represent the accounts payable. The Work Order/Completion Report, ENG Form 3013, constitutes the basis for transferring completed work to the plant in service accounts, by means of a Journal Entry, ENG Form 3007. The documents indicate the date of the transactions and carry the approval or citation of any authority required, and the amounts involved. The documentation of a transaction authenticates each entry and provides additional information to which reference may be made and from which additional information may be compiled for both internal and external audit purposes.

b. Design of Basic Document Forms. All accounting forms are designed to serve a useful purpose in the procedure, as well as to accomplish other necessary objectives. The approval and flow of original documents provide a degree of internal control. For example, an allotment advice received, serves not only as the basis for an entry in the records but also as an authorization to incur obligations within a specific amount. An approved purchase order carries with it not only the authority to purchase but also an indication that funds are available to pay for the items to be received. A work order, in addition to authorizing the establishment of a cost account, authorizes the performance of specific work in accordance with an approved program. The work order also disseminates the account classification which will be used on all documents subsequently issued in accomplishing the work under the order.

c. Analyzing and Coding of Documents. All documents received will be analyzed to determine the accounts which will be affected by the transaction. Reference to the Detailed Project Schedule (PB-2a), ENG Form 2201a, and/or ENG Form 3013, Work Order/Completion Report will often disclose the accounting classifications. Postings will be made to the subsidiary ledgers from the original documents or copies thereof, as authorized by the procedures outlined. Certain documents such as allotment advices, bills rendered, and bills collected will be posted individually. Others, such as stores issues, will be posted in summary, while other documents will be entered individually in the books of original entry for posting to the general ledger in total. The greater the degree of summarization of data for posting, the more economical will be the accounting process.

d. Registers. The following registers, as the "book of original entry", are provided for the purpose of accumulating in one record documents containing similar information and from which this information may be posted to the general ledger accounts in total at the end of the appropriate accounting period:

- (1) Accrued Expenditure Registers, ENG Form 3004.
- (2) Cash Disbursement Register, ENG Form 3001.
- (3) Cash Receipts and Deposits Register, ENG Form 3002.
- (4) Accounts Receivable Register, ENG Form 3003.

ER 37-2-10
1 Apr 69

2-10. Transfer of Projects between Districts. a. When projects or portions of projects are transferred between districts, the procedure prescribed herein will be followed.

b. The transferring district will take the following actions:

(1) Prepare a special Report on Status of Appropriations - Civil Works Funds (ENG Form 3011a) showing, in every column, for each project or portion of project transferred, the amounts transferred to each district.

(2) By debit and credit entries on ENG Form 3007, Journal Entry, reduce the balances in all general ledger accounts by the amounts pertaining to the projects or portions of projects transferred.

(3) Furnish each receiving district copies of documents described in (1) and (2) above.

(4) Furnish the Chief of Engineers Attention: ENGECE-FA, three copies of the special ENG Form 3011, Report on Status of Appropriations, prepared in response to (1) above.

(5) Furnish each receiving district the complete files of unpaid accounts payable and uncollected accounts receivable documents relating to the transferred project, together with adding machine tapes to agree with the applicable amounts stated on the ENG Form 3007 prescribed by (2) above.

(6) Furnish each receiving district the complete file of unliquidated obligations (undelivered orders) together with adding machine tapes to agree with the amounts shown in Column 7 of the special ENG Form 3011 prescribed by subparagraph (1) above."

(7) Furnish each receiving district the allotment ledgers pertaining to the transferred projects. If only a part of the project is transferred, the applicable amounts of the expenditures, obligations, and funds columns will be entered on a new allotment ledger which will be furnished to receiving district. The same amounts will be posted as reverse entries to reduce the balances on the retained existing allotment ledger.

c. The receiving district will accept the documents described in paragraph b above and will thereafter be responsible for proper accounting and reporting for the project or portion thereof transferred. It will take the following specific actions.

(1) Post in contra, to the general ledgers, the amounts stated on ENG Form 3007, received from the transferring district.

(2) Continue liquidation of accounts payable, taking all possible action to avoid delay in payments to creditors.

(3) Continue collection action on accounts receivable.

2-10

4

d. Information other than that prescribed above will be furnished as may be necessary in specific instances to insure proper accounting and efficient operation. The transferring district may act as agent for the receiving district in assembling documents, preparing Standard Form 1166, and other matters as may be agreed upon by the two offices.

e. Instructions relative to the transfer of subsidiary cost ledger accounts and other data pertaining to the projects or portions of projects transferred are contained in Chapter 6.

2-11. Transfer of Projects to Other Federal Agencies or Local Interests. Projects which have been constructed by the Corps of Engineers with appropriated and/or contributed funds, and subsequently transferred to another federal agency or to local interests (e.g., local flood protection projects turned over to a state or political sub-division thereof), and the future operation and maintenance is not the responsibility of the Corps of Engineers, will not be reflected in the plant in service accounts of the Corps. The method of handling costs, expenditures, and contributions for such completed projects is contained in Chapters 2 and 8.

2-12. Definition of Multiple Purpose Projects. Wherever used in this regulation, the term "Multiple Purpose Projects Including Power" is limited to projects falling within that budgetary classification, as defined in para 3-2 (page 3-5), ER 11-2-101. On the other hand, the term "Multiple Purpose Projects" is defined as relating to all projects which contain any authorized reimbursable purpose or purposes, regardless of budgetary classification.

2-13 thru 2-20 Reserved

INTERRELATION OF THE FUNCTIONS OF BUDGETING, PROGRAMMING, AND ACCOUNTING

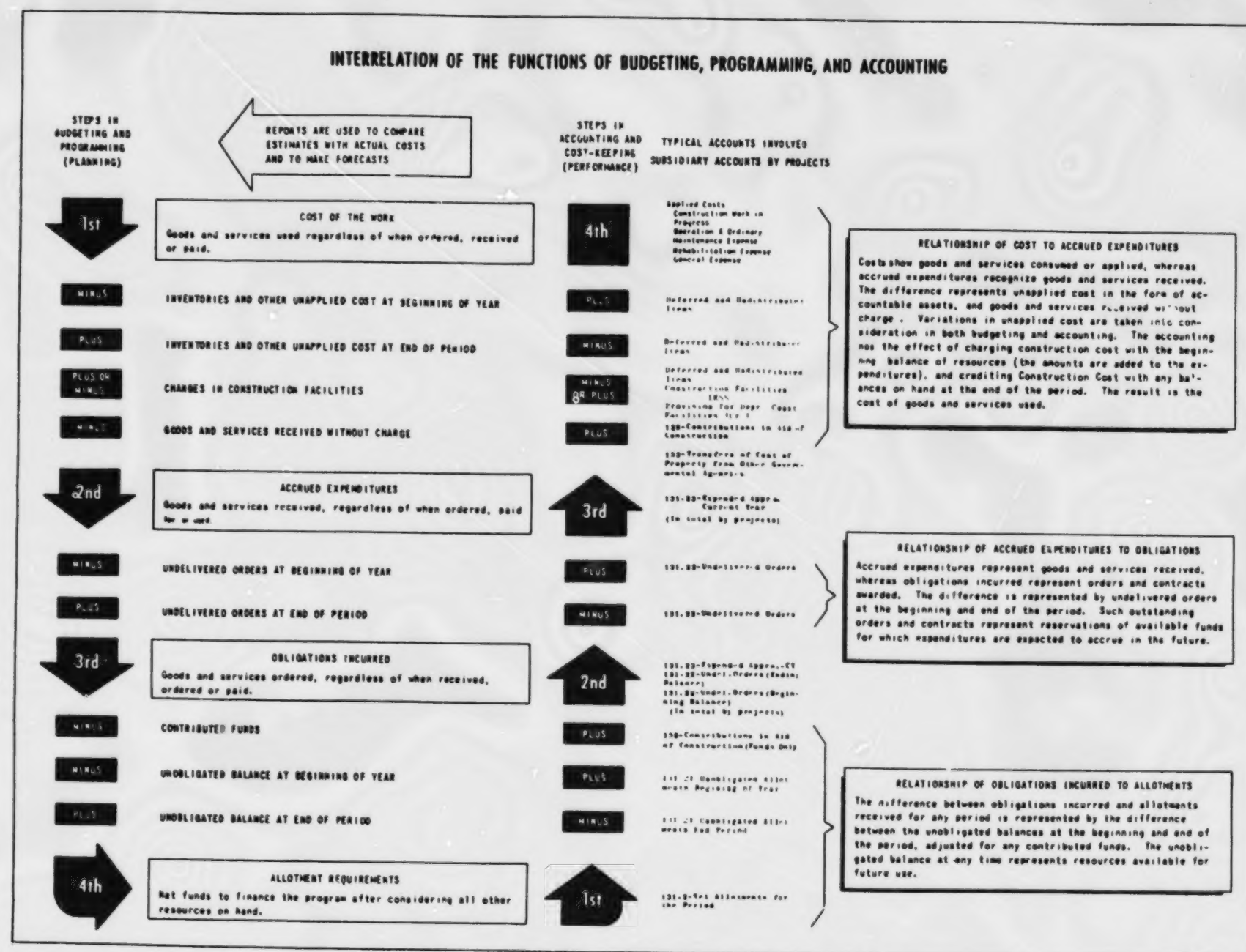


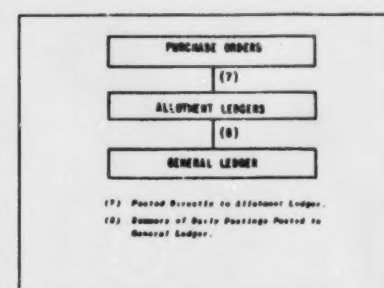
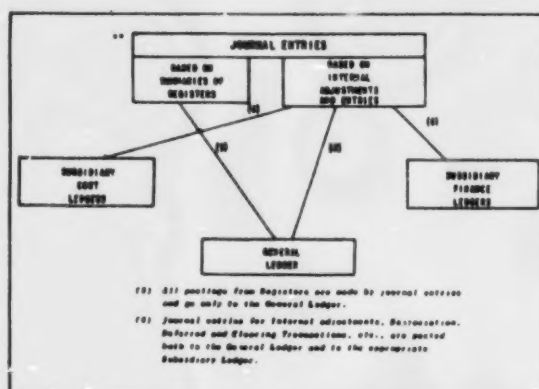
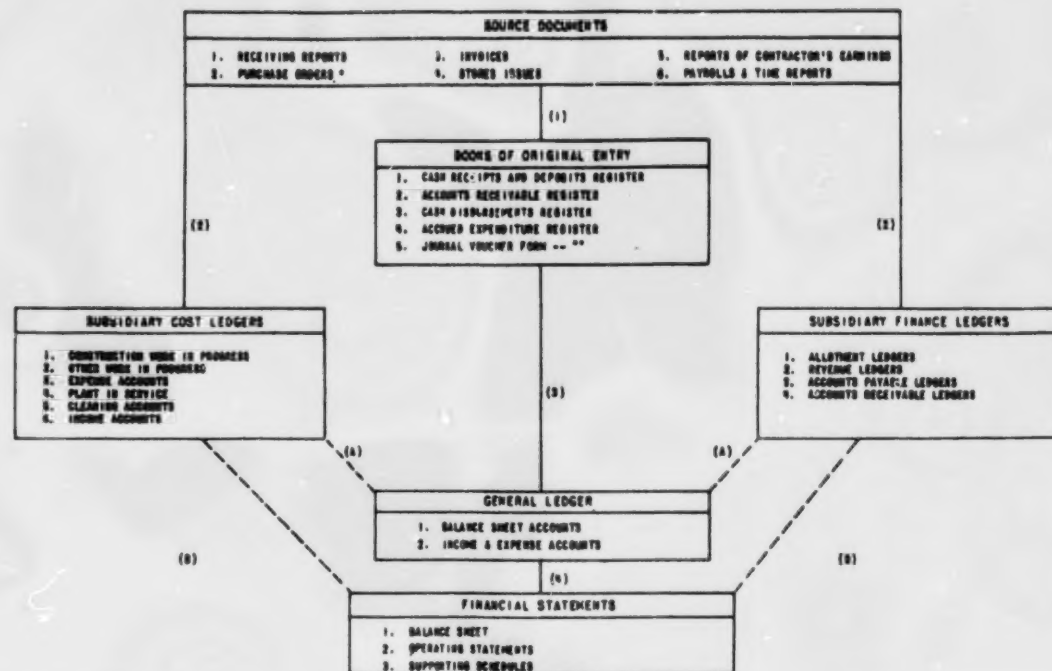
ILLUSTRATION 2/1

BLANK PAGE

BLANK PAGE

BLANK PAGE

CHART SHOWING RELATIONSHIP OF DOCUMENTS TO:
BOOKS OF ORIGINAL ENTRY - REGISTERS & JOURNALS
AND
BOOKS OF SECONDARY ENTRY - GENERAL & SUBSIDIARY LEDGERS



- Numbers indicate direct Entries & Postings
Letters indicate reconciliation and Supporting Detail
- (1) After Source Documents have been properly added and vouchered entries currently recorded in the appropriate Register.
- (2) Immediately after action in (1) above the vouchers are posted directly to the proper Subsidiary Cost or Finance Ledger.
- (3) Summary postings are made periodically from the Registers to General Ledger Account by journal entry. Adjustment vouchers to record Depreciation and Deferred Items are prepared and posted directly to the General Ledger as well as to the Subsidiary Ledgers.
- (4) At the end of each Fiscal Year and at other appropriate times Financial Statements are prepared from the Accounts in the General Ledger.
- (5) Subsidiary Cost and Finance Ledgers tie-in to and provide the supporting Detail for the General Ledger Accounts.
- (6) Detail necessary for preparation of Schedule supporting Financial Statements is derived from the Subsidiary Cost and Finance Ledgers.

ILLUSTRATION 2/2

GENERAL PLAN OF ACCOUNT NUMBERING SYSTEM				
ACCOUNT CLASSIFICATIONS	Charts of Accounts			
	B General, Special and Trust Fund	C Revolving Fund	D Disbursing Officer	E Deposit Funds
<u>GENERAL LEDGER ACCOUNTS</u>				
Assets and Other Debit Accounts:				
Plant, Properties and Equipment (Fixed Assets)	101-109	301-309		
Current and Accrued Assets	110-119	310-319	812-819	852
Deferred and Undistributed Items	121-129	321-329		
Liability and Other Credit Accounts:				
Proprietary Interest of Government	131-139	330-339		
Current and Accrued Liabilities	141-149	341-349	844	861
Operating Reserves		351-359		
Operation Accounts:				
Income	161-169	401-409		
Expense	171-181	411-419		
<u>SUBSIDIARY LEDGER DETAILED ACCOUNTS</u>				
Cost and Expense Accounts:				
Construction Costs & Rehabilitation	01-99			
Flood Control and Coastal Emergencies	201-299			
Revolving Fund		420-499		
General Investigation Expense	501-599			
Operation and Maintenance	601-699			
General Expense	701-799			
Allotment Accounts		No	No	No
(Identified by appropriation, cate- gory, class, subclass and project)	Yes			
NOTE: Chart A - OCE Accounts are included in separate regulation for use at OCE.				

2-21. CHART A - OFFICE, CHIEF OF ENGINEERS GENERAL LEDGER ACCOUNTS

a. Applicability. The accounts maintained in the Office, Chief of Engineers form an integral part of the accounting system of the Corps. They are designed as a means for the Office of the Chief of Engineers to exercise overall control of the funds appropriated in support of the Corps' Civil Works functions. The accounts reflect all appropriations and apportionments received and all allotments from appropriation and allocations from apportionments that have been issued to the field, and nonexpenditure transfers to other government agencies. Through this system of exercising control over allotments of funds and allocations of apportionments, the Office of the Chief of Engineers can maintain financial control over Engineer field activities. Consolidated financial reports of the entire Corps are produced from the information reflected in the accounts in the Office of the Chief of Engineers as to the unallotted and unapportioned funds, and from information furnished in reports from Engineer field offices, and other government agencies. The accounts maintained under Chart "A" are numbered in the "900" series.

b. Instructions. A separate internal procedure entitled, "Accounts and Procedures, Office, Chief of Engineers, Chart A, Civil Funds", is issued for the use of that office.

2-22 CHART B - GENERAL, SPECIAL AND TRUST FUND ACTIVITIES GENERAL LEDGER ACCOUNTS.

a.(1). Introduction. - The accounts included in this section are established to account for all funds and assets and liabilities for civil works activities (other than Revolving Fund activities) under the control of the Corps of Engineers in the field. These accounts will include (a) general fund appropriations for civil works activities such as investigations, construction, emergency activities, operation and maintenance, general expenses, and flood control Mississippi River and Tributaries, (b) special funds, including those arising from special purposes and available for use by the Corps of Engineers, and (c) trust funds received as contributions and advances in aid of construction, for emergency rehabilitation, and for operation and maintenance. These accounts also cover transfer appropriations and consolidated working funds for work for other agencies. (See Chapter 5)

(2) General Account Classifications: For accounting purposes, Civil Works Projects will be in three general classifications, as follows:

(a) Completed and In Progress Projects - Projects authorized by Congress which are in either the design or construction stage, or in a suspended status (inactive), and completed projects other than those included in (b) or (c) below.

(b) Abandoned Projects. Entire projects (including modifications) authorized for abandonment by Congressional action. (Projects will be transferred to this classification when all abandonment actions have been completed and all property disposed of.)

(c) Projects Transferred to Other Agencies or Local Interests. (See paragraph 2-11).

b. Chart of Accounts - The classification of accounts prescribed below is applicable to the civil works activities of all district offices. New accounts will not be added without the prior approval of the Office, Chief of Engineers.

Balance Sheet Accounts

Plant, Properties and Equipment

101.-Plant in Service

- 101.1 Channels & Harbors (Navigation)
- 101.2 Locks, Dams, Reservoirs and Canals (Navigation)
- 101.3 Local Protection Projects Specifically Authorized by Congress (Flood Control)
- 101.4 Small Flood Control Projects Not Specifically Authorized by Congress
- 101.5 Local Protection (Flood Control - Emergency Bank Protection)
- 101.6 Local Protection (Flood Control - Clearing and Snagging)
- 101.7 Reservoirs (Flood Control)
- 101.8 Shore Protection Projects
- 101.9 Lower Columbia River Fish Sanctuary Program
- 101.10 Alteration of Bridges (Truman-Hobbs Act)
- 101.11 Mississippi River & Tributaries
- 101.12 Multiple Purpose Projects Including Power
- 101.14 Other

102 Provision for Depreciation and Amortization, Plant in Service (Cr)

ER 37-2-10
Change 56
15 Aug 85

107 Construction Work in Progress

- 108.- Retirement Work in Progress (Multiple Purpose Projects) -
108.1 Plant, Property and Equipment in Process of Retirement
108.2 Retirement Work
108.3 Retirement Receipts (Cr)

Current and Accrued Assets

110 Funds with Treasury

- 113.- Accounts Receivable -
113.1 Unavailable General, Special, and Trust Funds
113.2 Deposit Funds
113.3 Appropriation Refunds
113.4 Appropriation Reimbursements

114 Claims Receivable

- 116.- Prepayments and Advances -
116.1 Prepayments to Other Government Agencies
116.2 Reserved
116.3 Other Advances
116.4 Loans to Profit or Non-profit Organizations

- 117.- Work in Progress for Others -
117.1 Refund Activity
* 117.2 Appropriation Reimbursement Activity - Non-CE Activities
117.3 Reimbursable by Other CE Activities *

118 Other Current and Accrued Assets

119 Contributions or Advances Held in Escrow

Proprietary Interest of the U.S. Government

- 131.2- Net Allotments -
131.21 Unobligated Allotments
131.22 Undelivered Orders
131.23 Expenditures - Current Year
131.24 Expenditures - Prior Years
131.241 Completed and In Progress Projects
131.242 Abandoned Projects
131.249 Projects Transferred to Other Agencies or
Local Interests

Proprietary Interest of the U. S. Government (Cont'd)

- 131.25 Reimbursements to Appropriations - Current Year (Dr)
- 131.26 Available Special and Trust Fund Receipts Deposited (Dr)
- * 131.27 Unbilled Reimbursable Orders from Non-CE Activities (Dr)
- 131.28 Unbilled Reimbursable Orders from Other CE Activities (Dr) *
- 132 Abandoned and Retired Property (Other than Multiple Purpose Projects)
- 133.- Transfers of Cost or Property (Net) -
 - 133.1- Construction, Operation and Maintenance and Emergency Activities
 - 133.11 Completed and In Progress Projects
 - 133.12 Abandoned Projects
 - 133.2 Other Activities
 - 133.9 Projects Transferred to Other Agencies or Local Interests
- 134 Interest on Government Investment
- 135.- Funds Returned to U. S. Treasury -
 - 135.1 Funds Returned to U. S. Treasury by Corps of Engineers (Dr)
 - 135.2 Funds Returned to U. S. Treasury by Other Government Agencies (Dr)
- 136.- Nonreimbursable Costs -
 - 136.1- Operation and Maintenance -
 - 136.11 Completed and In Progress Projects
 - 136.12 Abandoned Projects
 - 136.2 General Expense Activities
 - 136.3 General Investigations
 - 136.4 Preliminary Work for Unfeasible Construction Projects
 - 136.5 Other Government Agencies - Cooperative and Construction Projects (Cr)
 - 136.6 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects)
 - 136.7 Flood Control and Coastal Emergencies
 - 136.8 Atlantic-Pacific Interoceanic Canal Studies
 - 136.9 Miscellaneous (OCE)
- 137.- Status of Cost Recovery - Reimbursable Costs -
 - 137.1 Results from Operations
 - 137.2 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects)
 - 137.3 Investment Recovery on Non-Multiple Purpose Projects
- 138.- Contributions in Aid of Construction -
 - 138.1 Completed and In Progress Projects
 - 138.2 Abandoned Projects
 - 138.3 Contributed Funds Applied to Completed Work Outside Project Scope (Dr)
 - 138.9 Projects Transferred to Other Agencies or Local Interests
- 139 Work for Other Agencies (Dr)

ER 37-2-10
Change 50
2 Dec 83

Current and Accrued Liabilities

- 141 Accounts Payable
- 142 Unfunded Deferred Credit
- 143 Advances Received for Construction, Emergency Activities, and
Operation and Maintenance
- 147 Other Current and Accrued Liabilities

Operating Accounts

Income Accounts

- 161 Operating Income
- 162 Credits to Operations
- 163 Nonoperating Income

Expense Accounts

- 171 Operations and Maintenance Expense
- 173.- General Expenses -
 - 173.1 Executive Direction and Management
 - 173.2 River and Harbor Board, excluding Commercial Statistics
 - 173.3 Commercial Statistics
 - * 173.4 (Reserved)
 - 173.5 Coastal Engineering Research Board
 - 173.6 Humphreys Engineer Center Support Activity *
- 174.- Collection and Study of Basic Data
(Reserved)
- 175 Research and Development
- 176 Surveys (General Investigations)
- 177 Employees Compensation Fund (Payments to Department of Labor
(74 Stat. 906))
- 178 (Reserved)
- 179 Deferred and Other Undistributed Items (Operation and Maintenance
and Emergency Activities)
- 180 Flood Control and Coastal Emergencies
- 181 (Reserved)

c. Relationship between General and Subsidiary Ledgers and Other Supporting Data.

(1) Most of the General Ledger accounts will be supported by subsidiary ledgers and/or files of related documents. Some General Ledger accounts will not be so supported, but entries therein will be in sufficient detail for required purposes. Subsidiary ledgers are: allotment ledgers, work allowance ledgers, commitment ledgers and cost ledgers. Work allowance ledgers and cost ledgers will be maintained separately for each project.

(a) Allotment ledgers and work allowance ledgers are the records of all transactions that affect the unobligated or uncommitted balances of appropriations and projects. Commitment ledgers, when utilized, are the records of transactions which affect the uncommitted and unreserved balances of funds. (See Chapter 5.)

(b) Cost ledgers (see Chapters 6 and 8) are the records of direct allocations and indirect distributions of expenditures and earnings accrued in the performance of work involved in a project. Each cost ledger sheet will bear the name of the project, the number and title of the subsidiary account, and the number of the General Ledger account it supports.

(2) Certain General Ledger account balances will be supported by files of related documents, as follows:

<u>General Ledger Account</u>	<u>Document</u>
113. - Accounts Receivable	Uncollected bills
114 Claims Receivable	Uncollected bills
118 Other Current and Accrued Assets	Records necessary to show the nature of each class of assets
119 Contributions or Ad- vances Held in Escrow	Copies of escrow agree- ments, documents evi- dencing deposits to and withdrawals from the escrow account and escrow ledgers (para 5-8.5).
141 Accounts Payable	Unpaid vouchers

(3) The following chart is designed to show the required accounts and other data in support of General Ledger accounts, with the view toward presenting a clearer understanding of the accounting system:

CHART SHOWING THE RELATIONSHIP BETWEEN CHART "B" GENERAL
LEDGER ACCOUNTS AND ACCOUNTS OR OTHER DATA SUBSIDIARY THERETO

ER 37-2-10
Change 47
30 Apr 82

General Ledger Accounts	Subsidiary Accounts Or Other Subsidiary Data
101.- Plant In Service - 101.1 Channels and Harbors (Navigation) through 101.14 Other	01 thru 20, and 620 thru 633, representing project facilities in service
102 Provision for Depreciation and Amorti- zation, Plant in Service (Cr)	61 Provision for Depreciation and Amortization, Plant in Service (Cr)
* (c) 107. Construction in Progress	01 thru 31, 511 thru 531, and 620 thru 635, representing applied charges to construction work not yet trans- ferred to Plant In Service.
)	39 Unapplied Advances for Accrued Costs
)	40 Undistributed Job Site Labor
)	41 Stores
)	42 Unapplied Payments to Contractors
)	50 Construction Facilities
)	51 Operation and Maintenance Expense During Construction
)	52 Surveys and Layouts
)	71.1) Undistributed Interest During
)	571.1)
)	671.1) Construction
108.- Retirement Work In Progress (Multiple Purpose Projects) -	
(a) 108.1 Plant, Property and Equipment in Process of Retirement	65 and 665, representing the book cost of property being retired.
(a) 108.2 Retirement Work	01 thru 52 and 620 thru 635 representing costs of retirement work orders.
(a) 108.3 Retirement Receipts (Cr)	80.4, 680.4 Retirement Receipts - Multiple Purpose Projects

(c) 110 Funds with Treasury

None

113.- Accounts Receivable -

113.1 Unavailable General, Special
and Trust Funds

113.2 Deposit Funds

(c) 113.3 Appropriation Refunds

(c) 113.4 Appropriation Reimbursements

Balances in the General Ledger ac-
counts will be supported by files
of uncollected accounts receivable
bills.

(c) 114 Claims Receivable

) 49,249)
) 649)

Claims Receivable; also files of
uncollected claims receivable bills

(c) 116.- Prepayments and Advances -

116.1 Prepayments to Other
Government Agencies

116.2 (Reserved)

116.3 Other Advances

) 36.1,236.1)

) 536.1,636.1)

)

) 36.3,236.3)

) 636.3)

Prepayments to Other Government
Agencies

Other Advances

116.4 Loans to Profit/Nonprofit
Organizations

) 36.4,636.3)

)

Loans to Profit/Nonprofit Organi-
zations

(c) 117.- Work in Progress for Others -

117.1 Refund Activity

117.2 Appropriation Reimbursement
Activity - Non-CE Activities

117.3 Reimbursable by Other CE
Activities

) 38.1,238.1)

) 638.1)

) 38.2,238.2)

) 638.2)

) 38.3,238.3)

) 638.3)

Work in Progress for Others -
Refunds

Work in Progress for Others -
Appropriation Reimbursement Activity
(Approval only by OCE)

Work in Progress for Other CE
Activities

118 Other Current and Accrued Assets

119 Contributions or Advances Held in
Escrow

Escrow ledgers; copies of escrow
agreements and documents evidencing
deposits to and withdrawals from the
escrow amount.

131.2- Net Allotments

131.21 Unobligated Allotments

(c) 131.22 Undelivered Orders

The balances in Accounts 131.21
and 131.22 are control totals of
the balances in the corresponding
allotment ledger column.

(c) 131.23 Expenditures - Current Year

The balance in this account is the algebraic sum of entries in the Expenditures column of the current year's allotment ledger sheets.

ER 37-2-10
Change 56
15 Aug 85

(c) 131.24 Expenditures - Prior Years

131.241 Completed and in Progress Projects 90,290,590)
131.242 Abandoned Projects 690,790)

Expenditures - Prior Years

None (b)

None (b)

(c) 131.25 Reimbursement to Appropriations Current Year (Dr)

This account is supported by accounts receivable bills issued for reimbursement to appropriations during the current fiscal year.

(c) 131.26 Available Special and Trust Fund Receipts Deposited (Dr)

None (b)

* (c) 131.27 Unbilled Reimbursable Orders from Non-CE Activities (Dr)

None

2-18 (c) 131.28 Unbilled Reimbursable Orders from Other CE Activities (Dr)

None (b)

132. Abandoned and Retired Property (Other than Multiple Purpose Projects) (See Accounts 108.1, 108.2, and 108.3 for Multiple Purpose Projects)

87 and 687 Abandoned and Retired Property *
(Other than Multiple Purpose Projects)

133.- Transfers of Cost or Property (Net) -

133.1- Construction, Operation and Maintenance, and Emergency Activities -

133.11 Completed and in Progress Projects 91.2,291.2)
591.1)
691.2)

Other Transfers

91.3,691.3) Payments to States

None (b)

None

133.12 Abandoned Projects

133.2 Other Activities

133.9 Projects Transferred to Other Agencies or Local Interests

62

None (b)

(a) 134 Interest on Government Investment 92,592,692) Interest on Government Investment

*

135.- Funds Returned to Treasury -
 135.1 By Corps of Engineers (Dr)
 135.2 By Other Government Agencies (Dr)

94,294)
 694)
 95,295)
 695)

Funds Returned to Treasury
 by CofE (Dr)
 Funds Returned to Treasury
 by Other Government
 Agencies (Dr)

136.- Nonreimbursable Costs -
 136.1 Operation and Maintenance

136.11 Completed and in Progress Projects 96.1)
 696.1)
 620 thru 635)

Nonreimbursable costs, and
 prior years' costs of
 uncompleted rehabilitation
 or maintenance jobs.

136.12 Abandoned Projects NONE (b)
 136.2 General Expense Activities NONE
 136.3 General Investigations NONE
 136.4 Preliminary Work for Unfeasible Construction Projects NONE (b)

136.5 Other Government Agencies - Cooperative and Construction Projects (Cr) NONE (d)

136.6 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) 96.2;)
 696.2)

Net Gain or Loss on Retirement of Land - (Multiple Purpose Projects)

136.7 Flood Control and Coastal Emergencies 203, 235)
 and 296)

Nonreimbursable costs, and
 prior years' costs of
 uncompleted rehabilitation
 jobs.

136.8 Atlantic-Pacific Inter-oceanic Canal Studies 996
 136.9 Miscellaneous (OCE) NONE

Nonreimbursable costs
 Miscellaneous nonreimbursable
 costs of the Office, Chief
 of Engineers. Used by
 District Engineer, Baltimore,
 only.

2-19

2-22c(3)

ER 37-2-10
 Change 23
 21 Sep 73

2-22c

(a)	137.-	Status of Cost Recovery - Reimbursable Costs			
(a)	137.1	Results from Operations	97.1,697.1) & 620-635)	Results from Operations	
				Net operating income and expense and prior years' costs of uncompleted rehabilitation of maintenance jobs.	
(a)	137.2	Net Gain or Loss on Retirement of Land (Multiple Purpose Projects)	97.2,697.2)	Net Gain or Loss on Retirement of Land (Multiple Purpose Projects)	
*	(a)	137.3 Investment Recovery on Non-Multiple Purpose Projects	97.3,697.3)	Investment Recovery on Non-Multiple Purpose Projects.	*
	138.-	Contributions in Aid of Construction			
	138.1	Completed and In Progress	99) 503.12)	Contributions in Aid of Construction Contributions by Local and Other Interests	
	138.2	Abandoned Projects		None (b)	
	138.3	Contributed Funds Applied to Completed Work Outside Project Scope (Dr)		None (b)	
	138.9	Projects Transferred to Other Agencies or Local Interests		None (b)	
	139.-	Work for Other Agencies (Dr)		Unnumbered Work Order Cost Accounts, ENG Form 3012	
(c)	141	Accounts Payable		Balances in the General Ledger accounts will be supported by inventories of unpaid vouchers.	
	142	Unfunded Deferred Credits	89,289,689)	Nonfunded Contractors' Earnings	
(c)	143	Advances Received for Constr., Emergency Activities, and Operation and Maintenance	98) 298) 698)	Advances Received for Construction Advances Received for Emergency Activities Advances Received for Operation and Maintenance	
	147	Other Current and Accrued Liabilities (This account will be subdivided as necessary for clearing deposit for transactions)		None	

 ER 37-2-10
 Change 48
 30 Dec 82

2-20

161 Operating Income
 162 Credits to Operations
 163 Nonoperating Income
 171 Operation and Maintenance Expense

680.1 Operating Income
 280.2,680.2 Credits to Operations
 280.3,680.3 Nonoperating Income
) 601 thru 619 and 671.2 thru 675, representing
) applied charges to operations
) 620 thru 635, representing applied charges to
) maintenance of all completed projects, and
) retirement on other than multiple purpose
) projects; and the following for major or
) minor rehabilitation of all completed projects,
) excluding plant additions and retirements under
) multiple purpose projects

) 01 thru 31, representing applied charges to
) Project Facilities

) 39 Unapplied Advances for Accrued Costs
) 40 Undistributed Job Site Labor
)) 41 Stores
) 42 Unapplied Payments to Contractors
) 50 Construction Facilities
) 52 Surveys and Layouts
) 71.2 Interest/Expense (Rehab-Gross)
) 71.3 Interest/Expense (Rehab) Charged to Construction

173.- General Expenses -
 173.1 Executive Direction and
 thru Management
 173.5 Coastal Engineering Research Center

700 Series of Accounts

* 174.- Collection and Study of Basic Data -

507 Collection and Study of Basic Data

*

2-22c

*

- 175 Research and Development
- 176 Surveys (General Investigations)

508 Research and Development

- 501 Stage 1 Planning
- 502 Stage 2 Planning
- 503 Stage 3 Planning

506 Inventory of Dams and Coordi-
nation Studies with Other Agencies

509 Other

*

- 177 Employees Compensation Fund (Payments
to Department of Labor (74 Stat. 906))

None

- 178 (Reserved)

- 179 Deferred and Other Undistributed Items
(Operations and Maintenance and Emer-
gency Activities)

- 239,639 Unapplied Advances for Accrued Costs
- 240,640 Undistributed Job-Site Labor
- 641 Stores
- 242,642 Unapplied Payments to Contractors
- 650 Construction Facilities
- 252,652 Surveys and Layouts

*

(c) 179	Deferred and Other Undistributed Items (Operations & Maintenance and Emergency Activities (cont'd)	266.-, 666.- 666.1 666.2 266.8, 666.8 266.9, 666.9	Clearing Accounts - Warehouse Operation Shop Operations Leasing Program - Other Clearing Accounts (Specify)
180	Flood Control and Coastal Emer- gencies	201 thru 235, representing applied charges to Flood Control and Coastal Emergencies activities	
181	(Reserved)		

2-23

FOOTNOTES:

- (a) These accounts will be kept only for multiple purpose projects, including power.
- (b) Each entry in the General Ledger account will identify the project involved, etc.
- (c) Separate General Ledger accounts will be kept by appropriation, fund (special or trust fund) or limitation.
- (d) This account will be kept in such manner as to identify agency, purpose, appropriation and amount.

2-22c *

d. Definitions of General Ledger Accounts In connection with the definitions of general ledger accounts, the term "this caption" is construed to mean that an account as such will not be maintained but that the accounts listed thereunder will be maintained as general ledger accounts.

101 Plant in Service. Under this caption is included the book cost of all plant in service included in the detailed subsidiary plant accounts. The book cost includes property provided by transfer or contributions. The book cost of plant in service will be included in accounts 101.1 through 101.14 for properties owned by Civil Works projects of the Corps. The plant accounts are classified by general purposes and used. Projects with reimbursable purposes other than at-site power will be included in accounts 101.1 thru 101.11 and 101.14, as applicable. Each account is a control account and will be supported by the detailed subsidiary plant cost ledgers which, in turn, are supported by completion reports and related work order accounts which have been transferred from Construction Work in Progress. The balances in these accounts and in the subsidiary cost ledgers will be reduced when features or parts thereof are retired, or when the projects are abandoned.

102 Provision for Depreciation and Amortization. Plant in Service (Cr). This valuation account includes the amount of depreciation accrued on depreciable plant in service of multiple purpose projects and amortization of intangible plant in service of such projects. It will be supported by subsidiary cost accounts reflecting depreciation and amortization applicable to facilities such as specific power, navigation, flood control, etc., and joint facilities.

a. This account will be credited with amounts of depreciation of tangible plant in service, other than land, charged to operations of multiple purpose projects. At the time of retirement of plant in service this account will be charged with the cost of the property retired, plus the cost of removal, less any salvage value recovered, as shown in the work order ledgers for Retirement Work in Progress.

b. This account will also be credited with amounts of current charges to operations of multiple purpose projects for amortization of intangible assets which do not have a definite or terminable life and are not subject to depreciation. Amortization will be applied to the costs of reservoir clearing, relocations, leases, easements, resettlement payments and expenses, land acquisition expenses, and other plant in service costs representing intangible assets. The purchase price of fee land acquired, the title to which remains with the U. S. Government, will not be amortized.

c. This account will be charged with the cost of property retired, plus cost of retirement, less any proceeds realized from retirement, as shown in the work order ledgers for G.L. 108 Retirement Work in Progress. These charges will be made at the time any lease, right, or other asset to which this account applies is sold, relinquished, or otherwise terminated or retired from service.

107 Construction Work in Progress.

a. This account is a control over, and will be supported by, subsidiary cost ledgers maintained for each project in accordance with Chapters 6 and 8. This account will include all costs incurred for construction work in progress as indicated below:

(1) Permanent project features and subfeatures including land improvements and relocations.

(2) Engineering and Design.

(3) Supervision and Administration.

(4) Interest during construction applicable to construction work in progress on multiple purpose projects.

(5) Project-owned stocks of materials, supplies and minor equipment items for construction purposes.

(6) Project-owned temporary construction facilities and plants, such as temporary structures, housing facilities, utility facilities, processing plants, mobile construction equipment, shops and warehouses.

(7) Other distributive costs accumulated in the subsidiary ledgers for subsequent application to project construction features and subfeatures such as unapplied advances for accrued costs, undistributed job site labor, unapplied payments to contractors, etc.

(8) Replacements, additions and betterments, and boundary line surveys and marking of land for completed multiple purpose projects. * *

b. Transfers to Plant in Service.

(1) General. The information contained in completion reports pertaining to the construction work orders involved will be the basis for transferring the value of the features and/or projects from Work in Progress to Plant in Service. Except as prescribed in (2) below, the transfer may be deferred until the project or separately authorized modification, as a whole, is physically completed.

(2) Multiple Purpose Projects:

(a) Transfer must be made on a progressive basis at the time each feature is physically completed and available for service, except as in (b) below.

(b) Boundary line survey and marking costs chargeable to account 621.3 Reservoirs, will be transferred to Plant in Service at the close of each fiscal year. *

108 Retirement Work in Progress (Multiple Purpose Projects). The accounts under this caption are applicable only to multiple-purpose projects. They will be supported by subsidiary accounts for each project.

ER 37-2-10
Change 16
1 Jun 72

a. The amounts pertaining to each work order for other than land will be transferred to account 102 Provision for Depreciation and Amortization - Plant in Service (Cr) when the work order is completed.

b. For retirement work orders relating to fee owned land, the amounts reflecting the purchase price only and other elements of retirement work will be transferred to account 136.6, Non-Reimbursable Costs - Net Gain or Loss on Retirement of Land (Multiple Purpose Projects), and 137.2 Status of Cost Recovery - Reimbursable Costs - Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) as applicable. Acquisition expenses and interest charged to construction relating to fee owned land retired will not be transferred from Plant in Service accounts but will be amortized over the life of the project.

108.1 Plant, Property and Equipment in Process of Retirement. This account includes the book cost of property being retired, transferred from account 101.12.

108.2 Retirement Work. This account includes the costs of retirement work such as performance of the work, demolition and other charges applicable to the retirement of plant, property and equipment, disposal expenses such as cost of advertising, mobilization and preparation for sale, and credits for the value of materials recovered (for reuse or stock) pertinent to the retirement of plant, property and equipment.

108.3 Retirement Receipts (Cr). This account includes income from the sale of fee land with or without standing crops and timber, income from the sale of buildings and improvements, and direct income from the sale of other property retired.

110 Funds with Treasury. This account reflects the undisbursed balance of appropriations available to the District Engineer. It includes allotments of funds received by the District Engineer and disbursements and collections made applicable thereto. It also includes disbursements and collections made for Appropriation Reimbursement Activity. A separate general ledger account will be maintained for each appropriation, fund or limitation. General ledger sub-divisions will not be maintained to distinguish between amounts applicable to allotted funds and amounts applicable to Appropriation Reimbursement Activity. This account will normally carry a debit balance; it is recognized, however, that a temporary credit balance for an appropriation may result from the procedures prescribed herein for interagency reimbursable work.

113 Accounts Receivable. Under this caption is included the accounts receivable due the Civil Functions of the Corps, generally representing the amounts of bills generated as a result of orders, agreements, etc.,

that are expected to be wholly collectible. These accounts do not include amounts of claims, such as those for the recovery of damages to or unlawful use of Government Property. (See account 114. Claims Receivable).

113.1. Accounts Receivable - Unavailable General, Special and Trust Funds. This account comprises the balance of receivables which when collected will be credited to unavailable General, Special and Trust funds.

113.2 Accounts Receivable - Deposit Funds. This account includes the balance of receivables which when collected will be held for future application to available or unavailable receipts.

113.3 Accounts Receivable - Appropriation Refunds. This account includes the balance of receivables which when collected will be lawfully available for deposit as refunds to appropriations. A separate general ledger account will be maintained for each appropriation, fund or limitation.

113.4 Accounts Receivable - Appropriation Reimbursements. This account includes the balances of receivables which when collected will be lawfully available as reimbursements to appropriations. A separate general ledger account will be maintained for each appropriation, fund or limitation.

114 Claims Receivable. This account includes the balance of claims or receivables which may not be collectible because of pending or subsequent litigation or adjudication or other reasons (e.g. claims or bills rendered to recover amounts for damages to or unlawful use of Government property), and the balance of accounts receivable which are suspected of becoming uncollectible in whole or in part. This account will be supported by subsidiary cost accounts by project as well as by files of outstanding bureau vouchers (bills) receivable. Summary postings from the Accounts Receivable Register only are made to this account.

* 116 Prepayments and Advances. Included under this caption are the balances in accounts 116.1, and 116.3 for projects from which prepayments and advances are made. Separate accounts will be maintained for each appropriation, fund, or limitation. These accounts will be supported by subsidiary cost accounts maintained for each project.

116.1 Prepayments to Other Government Agencies. This account includes advances made to other government agencies, including advances made under Section 601, 1934 Economy Act, to cover payments for services to be rendered or property to be furnished. The account will be maintained to show the status of advance payments to each agency. On the basis of cost of work performed or materials and supplies received, this account will be credited and the appropriate cost or expense account debited.

* 116.2 (Reserved.)

* 116.3 Other Advances. This account will include the amount of other advances, including advances to the Revolving Fund of the same or

ER 37-2-10
Change 56
15 Aug 85

another district, for services and commodities to be furnished. On the basis of the cost of work performed or materials and supplies received, this account will be credited and the appropriate account debited.

116.4 Loans to Profit or Nonprofit Organizations. This account will include loans made to profit or nonprofit organizations under Section 215, PL 91-646. This account will be charged for amount of the loan and repayment credited thereto. Any interest thereon should be treated as Miscellaneous Receipts.

117 Work in Progress for Others. The accounts under this caption will be maintained separately by appropriation, fund, or limitation to include the cost of work performed for others, subject to reimbursement, and will be credited with amounts of reimbursement bills rendered.

117.1 Refund Activity. This account will include charges for the cost of work performed for others, with project funds, subject to repayment, to be accounted for as appropriation refunds. This account will be credited with amounts of applicable bills rendered. Subsidiary cost accounts will be maintained for each applicable project to show separately the amounts for each customer or job.

* 117.2 Appropriation Reimbursement Activity - Non-CE Activities. This account will include charges for cost of work performed for other government agencies with funds made available by appropriation reimbursement apportionment, subject to repayment, to be accounted for as appropriation reimbursement. This account will be credited with amounts of applicable bills rendered. Subsidiary cost accounts will be maintained for each reimbursable work order. *

* 117.3 Reimbursable by Other CE Activities (Dr). This account will include unbilled costs related to work performed for other CE activities (Districts, Divisions, etc.) with available funds subject to repayments (to be accounted for appropriation reimbursement with no charge to apportionment) under the provisions of the Intra Army Order for Reimbursable Services, DA Form 2544, received from other CE activities. Field type (F/T) 094 will establish this general ledger account in the 220 record when establishing each reimbursable work order for the accrual of this cost as a debit. This account will be credited with amounts of applicable bills rendered. The balance of this account will be positive and will represent unbilled earnings. Subsidiary cost accounts will be maintained for each reimbursable work order. (Cost feature 38.3)

118 Other Current and Accrued Assets. This account will include current and accrued assets which cannot be classified in other accounts. Approval of the Chief of Engineers will be obtained to use this account. The records supporting the entries to this account will be so maintained as to show the nature of each class of assets included therein.

119 Contributions or Advances Held in Escrow. This account includes the amount of contributed or advanced funds and securities deposited into escrow by local interests available for withdrawal by the District Commander for deposit into the US Treasury. After an escrow agreement has been executed and the arrangement established, this account will be debited for the amount placed in escrow and will be credited for amounts withdrawn from escrow. This account will be supported by escrow ledgers reflecting the status of each escrow agreement identified with the applicable project.

131.2 Net Allotments. There will be included under this caption the net amount made available to the District Commander under each appropriation, fund, and limitation. The sum of the amounts in accounts 131.21 through 131.26 represents the net allotments of federal funds after adjustments for appropriation rescissions, appropriation transfers, and lapses. The general ledger accounts 131.21, 131.22, 131.23, 131.24, 131.25, and 131.27 will be maintained by appropriations, fund and limitation and will be supported by allotment and

2-28a (next page is 29)

work allowance ledger systems as described in Chapter 5. For control and reporting purposes obligations and expenditures on special limitations for fiscal year authorizations such as for field printing, telephone services in private residences, etc., will be maintained on memorandum records.

131.21 Unobligated Allotments. This account includes the balance of unobligated allotments.

131.22 Undelivered Orders. This account includes the balance of undelivered orders or uncompleted contracts.

131.23 Expenditures - Current Year. This account includes the amounts of accrued expenditures for the current fiscal year. At the end of the fiscal year the balance in this account will be transferred to the applicable subdivision of Account 131.24, Expenditures - Prior Years.

131.24 Expenditures - Prior Years. The accounts under this caption include the net amount of expenditures (accrued expenditures less reimbursements) for prior fiscal years. A separate account will be maintained for each appropriation and each limitation suffix, except for annual appropriations which will not be maintained separately by years but which will be posted in such manner that each year of appropriation can be determined by analysis. Except for appropriations such as General Expenses and General Investigations, the accounts under 131.24 will be subdivided as follows:

131.241 Completed and in Progress Projects

131.242 Abandoned Projects

131.249 Projects Transferred to Other Agencies or Local Interests

Account 131.241, Completed and in Progress Projects, will be supported by subsidiary cost accounts maintained for each project. Accounts 131.242, and 131.249 will be maintained in such a manner that the amount applicable to each project can be determined by analysis.

131.25 Reimbursements to Appropriations - Current Year (Dr). This account includes the amount of reimbursements to appropriations for the current year. At the end of the fiscal year, the balances in these accounts will be transferred to applicable subdivisions of account 131.24, Expenditures - Prior Years.

131.26 Available Special and Trust Fund Receipts Deposited (Dr). This account includes the cumulative available fund receipts which are appropriated directly to the Corps under special laws for specific purposes. A separate general ledger account will be maintained for each special or trust fund received.

* 131.27 Unbilled Reimbursable Orders - Non-CE Activities (Dr). *
This account includes the balance of interagency reimbursable work orders received for which bills seeking reimbursement have not been rendered to the customer. This account will be charged with the estimated amount contained in the work order type of document which authorized the performance of reimbursable work for others. This account will be credited with the amounts of accounts receivable bills issued for reimbursement for work performed. The balance in this account will be used in the reconciliation of unexpended balance reported on ENG Form 3011a.

* 131.28 Unbilled Reimbursable Orders, from Other CE Activities (Dr). *
This account includes the balance of reimbursable orders (DA Form 2544) received from other CE activities for which bills seeking reimbursement have not been rendered to the customer. This account will be charged with the estimated amount contained in the work order type of document (DA Form 2544) which authorized the performance of reimbursable work for other districts. Each order will establish an individual "Q" project with the amount of the order serving as an obligation authority (unobligated balance) which will not be exceeded. Apportionment will not be charged for this work by the performing district; therefore, it is mandatory that funds be obtained from the requesting district prior to the incurrence of an obligation. This account will be credited with the amounts of the monthly accounts receivable bills issued for reimbursement for work performed.

132 Abandoned and Retired Property (Other Than Multiple Purpose Projects).

a. This account includes the book cost of property retired from other than multiple purpose projects. Amounts related to each project will be shown separately. The general criteria for determining property to be included in this account are as follows:

(1) Previous projects or project modifications, and separable units or components of an existing project which have no contributory value to the existing project by reason of subsequent Congressional authorizations which have in fact resulted in retirement of property.

(2) Separable units or features of a project which have been retired by removal or flooding, or by substantial replacement by construction of other features.

(3) Property retired from projects or parts thereof formally abandoned by Congressional action.

b. Action under the criteria stated in paragraph "a" above can be taken without reference to the Chief of Engineers for approval.

c. Authorized projects not justified for maintenance should be carried under account 101, Plant in Service, since the government retains its proprietary interest in such projects until they have been formally abandoned by an Act of Congress. In the absence of appropriate Congressional legislation, the Chief of Engineers has no authority by which he can classify projects as "abandoned."

d. In the case of projects or parts of projects which have been abandoned, that portion of the costs applicable to tangible property not actually disposed of and remaining in the Accountable Property Officer's records will not be transferred to this account until disposal authority has been received and the property disposed of.

e. Costs incurred incident to retirement of property are charged to account "171 Operation and Maintenance Expense" and direct revenue received from disposal of retired property is credited to account "163 Non-operating Income." The book cost by which the plant in service account is reduced is charged to account 132. Transactions will be recorded in the accounts on the basis of properly approved journal entries. Account 132 shall be permanently maintained to provide records of the Government interest in the projects.

133 Transfers of Cost or Property. This account includes the costs transferred to or from civil projects where such transfers are made on a non-fund basis and will be subdivided as follows:

133.- Transfers of Cost or Property (net) -

133.1- Construction, Operation and Maintenance and Emergency Activities -

133.11 Completed and in Progress Projects

133.12 Abandoned Projects

133.2 Other Activities

133.9 Projects Transferred to Other Agencies or Local Interests *

Account 133.11, Completed and in Progress Projects, will be supported by subsidiary cost accounts maintained for each project. The remaining accounts will be maintained in such a manner that the amount applicable to each project can be determined by analysis.

134 Interest on Government Investment. This account includes the total interest accrued on the Government investment in multiple purpose projects. This account will be supported by subsidiary cost accounts maintained for each project in the manner outlined in Chapter 8.

135 Funds Returned to U. S. Treasury (Miscellaneous Receipts) (Dr). Included under this caption are the balances in accounts 135.1 and 135.2. These accounts will be supported by subsidiary cost accounts maintained for each project.

135.1 Funds Returned to U. S. Treasury by Corps of Engineers (Dr)
This account, maintained separately by fund symbol, will be comprised of the total funds credited to the General Fund, U. S. Treasury (Miscellaneous Receipts) or credited to unavailable special and trust fund receipts, by the Corps of Engineers.

135.2 Funds Returned to U. S. Treasury by Other Government Agencies (Dr). This account includes the total amount of funds, relating to Corps of Engineer projects, collected for deposit in the U. S. Treasury by other Government agencies. Such deposits may be for the account of the Corps based on agreement between the Corps and the agencies concerned; for

ER 37-2-10
Change 21
19 Mar 73

allocated revenue from multiple purpose projects; or for income to the Government derived from the use of Corps projects by private interests based on agreement between other Government Agencies and the private interest involved (e.g. Federal Power Commission licenses). Necessary arrangements with the agencies concerned for obtaining the financial data, with respect to the sale of power and similar revenues of multiple purpose projects, will be initiated by the Chief of Engineers. Data covering income from all other sources will be obtained by the District Engineer from the nearest regional office of the agency involved. Subsidiary cost accounts will be maintained for each applicable project so as to permit identification of the agencies involved.

136 Nonreimbursable Costs. Separate accounts will be maintained under this caption to accumulate (a) the net costs (expenses less incomes) of prior fiscal years and year-end entries of the current fiscal year, transferred from accounts for operational and emergency activities; (b) the costs of advance engineering and design for projects or project modifications which have been determined to be unfeasible, transferred from account for Construction Work in Progress; (c) amounts of nonexpenditure transfers to other government agencies participating in cooperative and construction projects; and (d) the net amounts for retirement of fee owned land allocated to non-reimbursable project purposes, transferred from Account 108, Retirement Work in Progress (Multiple-Purpose Projects), as follows:

- 136.1- Operation and Maintenance -
 - 136.11 Completed and in Progress Projects
 - 136.12 Abandoned Projects
- 136.2 General Expense Activities
- 136.3 General Investigations
- 136.4 Preliminary Work for Unfeasible Construction Projects
- 136.5 Other Government Agencies - Cooperative and Construction Projects (Cr)
- 136.6 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects)
- 136.7 Flood Control and Coastal Emergencies Activities
- 136.8 Atlantic-Pacific Interoceanic Canal Studies
- 136.9 Miscellaneous (OCE)

* Accounts 136.11, Completed and in Progress Projects, 136.7, Flood
* Control and Coastal Emergencies activities, and 136.8 will be supported by subsidiary cost accounts maintained for each project. Acct. 136.6 will be supported by subsidiary cost accounts maintained for each multiple purpose project as outlined in Chapter 8. Accounts 136.12, and 136.4 will be maintained in such a manner that the amount applicable to each project can be determined by analysis. No subsidiary accounts or analysis are required for Accounts 136.2 and 136.3. In the case of contributed funds, contributions received from local interests for Operation and Maintenance are ultimately credited to Account 136-96X3123 (see description of Account 162 Credits to Operations), and the non-reimbursable expenses reflected in the O&M project work features are ultimately debited to Account 136-96X3123, the result reflected in Account 136.11 being the net federal cost. Account 136.5 will be maintained in such manner that the agency, purpose, appropriation and amount can be determined by analysis; subsidiary accounts are not required. Account 136.9 will be maintained in such manner that the appropriation or fund account and amount can be determined by analysis; subsidiary accounts are not required.

137 Status of Cost Recovery - Reimbursable Costs. The accounts included under this caption reflect the accumulated net recovery of project costs for reimbursable or revenue producing purposes such as power, irrigation, water supply, etc. Elements of cost included are operating and maintenance income and expense, depreciation and amortization of plant in service, miscellaneous non-operating income, and gain or loss on retirement of land. The status of gross recovery of project investment for reimbursable purposes will be the sum of the balances of the accounts under this caption and Account 102, Provision for Depreciation and Amortization, Plant in Service.

137.1 Results from Operations. This account includes the net cumulative balance, either debit or credit, of net income of projects resulting from reimbursable or revenue producing operations, such as electric power, irrigation, water supply, etc. This account will be supported by subsidiary cost accounts for each project as outlined in Chapter 8.

137.2 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects). This account will reflect the net amounts relating to retirement of fee owned land allocated to reimbursable project purposes transferred from Account 108, Retirement Work in Progress (Multiple Purpose Projects). This account will be supported by subsidiary cost accounts maintained for each multiple purpose project as outlined in Chapter 8.

* 137.3 Investment Recovery on Non-Multiple Purpose Projects. This account includes the net amounts relating to expense and/or income resulting from a partial repayment of the federal investment in non-multiple purpose projects. This account will be supported by subsidiary cost accounts for each non-multiple purpose project as outlined in Chapter 8. *

138 Contributions in Aid of Construction. This account includes the net donations from states, municipalities, Government agencies or others for construction purposes, and will be subdivided as follows:

- 138.1 Completed and In Progress Projects
- 138.2 Abandoned Projects
- 138.3 Contributed Funds Applied to Completed Work
Outside Project Scope (Dr)
- 138.9 Projects Transferred to Other Agencies or Local
Interests

ER 37-2-10
Change 48
30 Dec 82

Account 138.1, Completed and In Progress Projects, will be supported by subsidiary cost accounts maintained for each project. Accounts 138.2, 138.3 and 138.9 will be maintained in such a manner that the amount applicable to each project can be determined by analysis. Account 138.3 will be maintained to record the value of completed work which is outside the scope of an authorized project and which was financed with contributed funds.

139 Work for Other Agencies (Dr). This account includes the cost of work performed for other agencies from funds advanced by them and made available to districts by the Chief of Engineers by allotments from transfer appropriations or consolidated working funds. Subsidiary cost accounts will be maintained on Work Order Cost Account, ENG Form 3012, by types of work or jobs for which each such allotment is made. This account excludes cost of construction and maintenance work on Corps of Engineers authorized Civil Works projects which are financed with funds from transfer appropriations. Such costs will be charged to construction and maintenance accounts as applicable under regular appropriation procedures.

141 Accounts Payable. This account includes the unpaid liabilities at the close of the accounting period including amounts withheld from contractors as retained percentages and as liquidated damages pending final determination of contracting officer. A separate general ledger account will be maintained for each appropriation, fund, or limitation. For reporting purposes, breakdown as required will be determined by analysis of file of unpaid items at the end of each reporting period.

- * 142 Unfunded Deferred Credits. This account includes the estimated contractor's earnings in excess of continuing contract monetary limitations where contractor proceeds at his own risk. This account will be supported by subsidiary account maintained for each project. To avoid creating the appearance of an Anti-deficiency Act violation, no entries will be made in the allotment accounts. *

143 Advances Received for Construction, Emergency Activities and Operation and Maintenance. This account includes the amount received in advance for construction, emergency activities, or operations and maintenance, including contributed or advanced funds and securities deposited in escrow. This account will be supported by subsidiary cost accounts maintained for each project, showing the sources from which such advances are received. Generally, any advances received as contributions for construction will be transferred from this account to account 138, Contributions in Aid of Construction, when the project is approved and the work started. However, advances which by agreement are definitely subject to repayment will not be transferred from this account, but will remain therein so long as the requirement for repayment exists. Amounts received in advance as contributions for emergency activities and for operation and maintenance will be transferred to Account 162, Credit to Operations, in the applicable fiscal year.

147 Other Current and Accrued Liabilities. This account includes the amount of unpaid current and accrued liabilities not elsewhere provided for, subdivided in the general ledger as necessary for clearing deposit fund transactions. No subsidiary cost accounts in this connection will be maintained.

161 Operating Income. This account will be credited with all income accrued from operations of all projects including income from sale of power and water, etc. This account will be supported by subsidiary income accounts maintained for each project.

162 Credits to Operations. This account includes credits to operations for collections for subsistence, quarters, services, grants and sundry disposals, reimbursements by GSA for care and custody, contributions from local interests, royalties, etc. This account will be supported by subsidiary accounts maintained for each project.

163 Nonoperating Income. This account includes the amounts of any nonoperating income accrued to the Corps. This account will be supported by subsidiary income accounts maintained for each project.

171 Operations and Maintenance Expense. This account includes all applied costs for operations, maintenance of project plant, depreciation and amortization expense, interest expense on the remaining investment in projects, interest expense on net investment charged to construction, payments made to states from grant (outleasing) revenues, and for retirement work on other than multiple purpose projects. This account will be supported by subsidiary cost accounts for each project.

* 173 General Expenses. This account includes all general expenses incurred during the fiscal year and will be subdivided as follows:

- 173.1 Executive Direction and Management (HQUSACE and Division Offices)
- 173.2 River and Harbor Board
- 173.3 (Reserved.)
- 173.4 (Reserved.)
- 173.5 Coastal Engineering Research Board
- 173.6 Humphreys Engineer Center Support Activity
- 173.7 Water Resource Support Center
- 173.8 Engineer Automation Support Activity
- 173.9 (Reserved)

Fiscal Year costs recorded in General Ledger Accounts 173.1 through 173.9 as shown above will be transferred to General Ledger Account 136.2, Nonreimbursable Costs - General Expenses Activities, at the end of each fiscal year. *

174 Collection and Study of Basic Data.

(1) (Reserved.)

(2) This account includes the costs of Collection and Study of Basic Data under the appropriation General Investigations, Corps of Engineers, Civil, as defined in ER 11-2-101. Balances in this account will be transferred to G.L. account 136, Nonreimbursable Costs, at the end of each fiscal year. This account does not include costs of specific studies under Surveys, which are controlled by General Ledger Account 176, Surveys.

ER 37-2-10
Change 21
19 Mar 73

175 Research and Development. This account includes both the applied and undistributed costs of Research and Development under the appropriation General Investigations, Corps of Engineers, Civil. This account
* is supported by subsidiary cost accounts prescribed in Chapter 8.

176 Surveys (General Investigations). This account includes costs financed with General Investigations appropriation for surveys and studies with a view to determining the feasibility of new or modified projects, and recommending to Congress the advisability of adopting such projects for Federal participation in the construction and/or maintenance. Special surveys and studies will be included in this account. It will be supported by subsidiary accounts, as prescribed in Chapter 8, for each survey or study. This account will be closed into general ledger account 136.3 at the end of each fiscal year.

177 Employees Compensation Fund (Payments to Dept. of Labor (74 Stat 906)). This account includes amounts paid annually to Department of Labor, Bureau of Employees Compensation by the Baltimore District, covering share of compensation benefits chargeable to Corps of Engineers Civil Works activities under the provisions of Public Law 86-767 (74 Stat. 906). Subsidiary cost accounts need not be maintained. The balance in this account will be closed into general ledger account 136.11 at the end of each fiscal year.

178 (Reserved.)

179 Deferred and Other Undistributed Items (Operation and Maintenance and Emergency Activities). This account includes all cost incurred for operation and maintenance work, and emergency activities other than applied costs included in accounts 171, Operations and Maintenance Expense;
* 180, Flood Control and Coastal Emergencies Activities; and 107, Construction Work in Progress (Maintenance Construction). The accounts
* will be supported by subsidiary accounts for each project.

Such costs include unapplied charges financed with project funds, including unapplied advances for accrued cost, undistributed job site labor, values of stocks of materials and supplies on hand, unapplied payments to contractors, un depreciated or unamortized values of construction facilities for maintenance work; and all other undistributed items financed with project funds, for the expenses of operation and maintenance of construction facilities, operating expenses of permanent warehouses and shops and contractual requirements, initial alterations and other direct costs under leasing programs, etc.

*180 Flood Control and Coastal Emergencies Activities. This account includes the applied costs for emergency flood control activities, and for coastalemergencies activities, including costs incurred in connection with major disaster activities under PL 93-288 which are not reimbursed by the FEMA. This account will be supported by subsidiary cost ledgers maintained for each project in accordance with Chapter 8.

181 (Reserved.)

e. Index to Pro-Forma Journal Entries, Chart B, General,
Special, and Trust Fund Activities.

- (1) Allotment or Appropriation Reimbursement Work Authorizations Received
- (2) Reduction or Cancellation of Allotments or Appropriation Reimbursement Work Authorizations
- (3) Lapsed Appropriations
- (4) (Reserved)
- (5) Net Changes in Undelivered Orders
- (6) Accrued Expenditures (Net of Refunds)
- (7) Accounts Payable
- (8) Bills Rendered
- (9) Cash Collections Including Collections of Bills Rendered
- (10) Certain Rental Lease Collections for Initial Credit to Deposit Funds and Eventual Transfers to General Fund (Miscellaneous Receipts) (For Leases Cancellable for the Convenience of the Government)
- (11) Collections for Immediate Credit to General Fund (Miscellaneous Receipts)
- (12) Disbursements for Vouchers and Claims Approved for Payment
- (13) Contributions Received - Property or Service (Other than Cash)
- (14) Application of Advance Payments Received
- (15) Application of Prepayments and Advances
- (16) Distribution of Project Stores Issues and Warehouse Operating Expense
- (17) Distribution of Depreciation of Project-owned Temporary Facilities
- (18) Distribution of Other Distributive Items
- (19) (Reserved)
- (20) Disposition of Costs of Authorized Advance Design for Construction projects determined to be unfeasible.
- (21) (Reserved)
- (22) Nonexpenditure Transfers to Other Government Agencies
- (23) Transfer of Completed Construction Work in Progress to Plant in Service
- (24) Retirement from Plant in Service
- (25) Transfer of Cost or Property to or from Other Government Agencies
- (26) Transfer of Unapplied Costs upon transition from Construction to Operation and Maintenance
- (27) Payments to be Made to States re Lease of Lands
- (28) Transfer of costs, expenditures and contributions applicable to projects transferred to other agencies or local interests
- (29) Refund of advanced or Contributed Funds
- (30) To record Interest during Construction Phase of Multiple Purpose Projects
- (31) Bill Placed in Doubtful Collection Status

SPECIAL ENTRIES FOR MULTIPLE PURPOSE PROJECTS IN OPERATION

- (41) To Record Interest on Net Investment
- (42) To Record Interest Capitalized
- (43) To Record Depreciation and Amortization on Plant, Property and Equipment
- (44) To Record Collections Made by Other Government Agencies
- (45) (Reserved)

SPECIAL ENTRIES FOR CONTRIBUTED OR ADVANCED FUNDS AND SECURITIES
IN ESCROW

- (51) To Record Deposit of Contributed or Advanced Funds and Securities into Escrow
- (52) To Record Obligation of Amounts in Escrow
- (53) To Release Unused Balance from Escrow

* CLOSING ENTRIES AS OF 30 SEPTEMBER

- (81) To close Current Year Expenditures and Reimbursements Accounts
- (82) To close Income Accounts
- (83) To close Expense Accounts

f. Pro-Forma Journal Entries, Chart B. (NOTE: In some cases, for the sake of brevity, only the caption or account group is indicated. Examples:

- 117.- (Work in Progress for Others)
- 173.- (General Expense)

In actual practice the full account or subaccount numbers with their full titles, as applicable, will be shown on the general ledger sheets, and the specific account numbers will be shown on posting media.)

- (1) (a) Allotments Received
 - Dr: 110 Funds with Treasury
 - Cr: 131.21 Unobligated Allotments
 - Posting Media: Allotment Advice, ENG Form 0-4185

*

NOTE: The amount of the Allotment should also be posted to the appropriate allotment ledger.

- (b) Appropriation Reimbursement - Reimbursable Work Authorization Received
 - Dr: 131.27 Unbilled Reimbursable Orders
 - Cr: 131.21 Unobligated Allotments

NOTE: The amount of the reimbursable work authorization should also be posted to the applicable work allowance ledger.

(c) Other Appropriation Reimbursement - Authorizing Document Received

Dr: 131.25 Reimbursements to Appropriation

Cr: 131.21 Unobligated Allotments

NOTE: The amount of authorizing documents should also be posted to the applicable work allowance ledger.

(2) (a) Reduction or Cancellation of Allotments

Dr: 131.21 Unobligated Allotments

Cr: 110 Funds with Treasury

Posting Media: Advice of Revocation of Allotment,
ENG Form 0-4185

*

NOTE: An appropriate entry should be made to the applicable allotment ledger.

(b) Reduction or Cancellation of Appropriation Reimbursement - Reimbursable Work Authorization

Dr: 131.21 Unobligated Allotments

Cr: 131.27 Unbilled Reimbursable Orders

NOTE: Appropriate entry should also be made in the applicable Work Allowance Ledger.

(c) Reduction or Cancellation of "Other" Appropriation Reimbursement Authorizing Document

Dr: 131.21 Unobligated Allotments

Cr: 131.25 Reimbursements to Appropriation

NOTE: Appropriate entry should also be made in the applicable Work Allowance Ledger.

(3) Lapsed Appropriation. Transactions involving lapsed appropriations will be entered using the same pro-forma entries as for current appropriations. (See Chapter 5.)

(4) (Reserved)

(5) Net Changes in Undelivered Orders

Dr: 131.21 Unobligated Allotments

Cr: 131.22 Undelivered Orders

Posting Media: Monthly summary on Journal Entry, ENG Form 3007a of increase in undelivered orders balance on allotment ledgers. Decreases will be posted in reverse.

(6) Accrued Expenditures (Net of Refunds)

Dr: 131.21 Unobligated Allotments

Cr: 131.23 Expended Appropriations - Current Year

Posting Media: Monthly summary on Journal Entry, ENG Form 3007a, of allotment ledger transactions.

(7) Accounts Payable

Dr: 107 Construction Work in Progress
108.2 Retirement Work
117 Work in Progress for Others
139 Work for Other Agencies
171 Operation and Maintenance Expense
173.- General Expenses
174.- Collection and Study of Basic Data
175 Research and Development
176 Surveys
179 Deferred and Other Undistributed Items (O&M
and Emergency Activities)
180 Flood Control and Coastal Emergencies

Cr: 141 Accounts Payable

Posting Media: Monthly Summary on Journal Entry, ENG
Form 3007a of Accrued Expenditure Register
Transactions.

NOTE: This is a companion entry to No. 6 preceding, and the total must be in agreement with the total recorded as accrued expenditures, as adjusted for refunds, (Entry No. 8) recorded in the allotment ledgers.

(8) Bills Rendered

Dr: 113.1 Accounts Receivable - Unavailable General,
Special and Trust Funds
113.2 Accounts Receivable - Deposit Funds
113.3 Accounts Receivable - Appropriated Refunds
113.4 Accounts Receivable - Appropriation Reimbursements
114 Claims Receivable
131.25 Reimbursements to Appropriations - Current Year (Dr)

Cr: 107 Construction Work in Progress

108.3 Retirement Receipts
117.- Work in Progress for Others -
131.27 Unbilled Reimbursable Orders
147 Other Current and Accrued Liabilities
161 Operating Income
162 Credits to Operations
163 Nonoperating Income
173.- General Expenses
179 Deferred and Other Undistributed Items
(O&M and Emergency Activities)
180 Flood Control and Coastal Emergencies

Posting Media: Monthly Summary on Journal Entry, ENG Form 3007A
of the Accounts Receivable Register.

(9) Cash Collections Including Collections of Bills Rendered

Dr: 110 Funds With Treasury
135.1 Funds Returned to Treasury by Corps of Engineers (Dr)
147 Other Current and Accrued Liabilities
Cr: 113.1 Accounts Receivable - Unavailable General, Special
and Trust Funds
113.2 Accounts Receivable - Deposit Funds
113.3 Accounts Receivable - Appropriation Refunds
113.4 Accounts Receivable - Appropriation Reimbursements
119 Contributions or Advances Held in Escrow (See Note (1))
143 Advances Received for Construction, Emergency
Activities and Operation and Maintenance
Posting Media: Monthly summary on Journal Entry, ENG Form 3007a, of
the Cash Receipts and Deposits Register

ALSO, for collections of available special or
trust fund receipts:

Dr: 131.26 Available Special and Trust Fund Receipts Deposited
Cr: 131.21 Unobligated Allotments (See Note (2))
131.22 Undelivered Orders (See Note (3))
Posting Media: Journal Entry ENG Form 3007, supported by copy of
SF 1114b covering the specific collection (reference
para 4-9a)

NOTES:

(1) Each instance of receipt and deposit into the Treasury of contributions or advances withdrawn from escrow is to be handled in accordance with para 4-9a. The amount so treated as "allotted" will be subdivided between "unobligated allotments" and "undelivered orders".

(2) For contributed or advanced funds withdrawn from escrow, this represents items not previously obligated (e.g. S&A costs).

(3) For contributed or advanced funds withdrawn from escrow, this represents amounts required for making payments under items previously obligated (e.g. fixed price construction contract) and recorded in the Escrow Ledger.

(10) Certain Rental Lease Collections for Initial Credit to Deposit Funds and Eventual Transfer to General Fund (Miscellaneous Receipts) (For Leases Cancellable for Convenience of the Government)

Billing

Dr: 113.2 Accounts Receivable - Deposit Funds
Cr: 147 Other Current and Accrued Liabilities
Posting media: Journal Entry, ENG Form 3007a summarizing
Accounts Receivable Register. (This entry
normally will be included with Entry No. 8)

Collection

Dr: 147 Other Current and Accrued Liabilities
Cr: 113.2 Accounts Receivable - Deposit Funds
Posting media: Journal Entry ENG Form 3007a, summarizing
Cash Receipts and Deposits Register, (This
entry will normally be included with Entry
No. 9)

Transfer at Expiration of Rental Period

Dr: 135.1 Funds Returned to U. S. Treasury by Corps of
Engineers
Cr: 161 Operating Income
162 Credits to Operations
163 Nonoperating Income

Posting media: Journal Entry, ENG Form 3007, based on
accomplished copy SF 1081

(11) Collections for Immediate Credit to General Fund (Miscellaneous Receipts)

Billing

Dr: 113.1 Accounts Receivable - Unavailable General, Special
and Trust Funds
Cr: 161 Operating Income
162 Credits to Operations
163 Nonoperating Income
Posting media: Journal Entry, ENG Form 3007a, summarizing
Accounts Receivable Register. (This entry
will normally be included with Entry No. 8)

Collection

Dr: 135.1 Funds Returned to U. S. Treasury by Corps of Engineers

Cr: 113.1 Accounts Receivable - Unavailable General, Special, and Trust Funds

Posting media: Journal Entry, ENG Form 3007a, summarizing Cash Receipts and Deposit Register. (This entry will normally be included with Entry No. 9)

(12) Disbursements for Vouchers and Claims Approved for Payment

Dr: 141 Accounts Payable

Cr: 110 Funds with Treasury

Posting media: Monthly summary on Journal Entry, ENG Form 3007a, of the Cash Disbursements Register

(13) Contributions Received - Property or Services (Other than cash)

Dr: Appropriate Asset Account

Cr: 138 Contributions in Aid of Construction

Posting media: Journal entry, ENG Form 3007, supported by transfer document describing the property or service.

Note: See entry No. 25 for transfers from Government Agencies

(14) Application of Advance Payments Received

Dr: 143 Advances Received for Construction, Emergency Activities, and Operation and Maintenance

147 Other Current and Accrued Liabilities

Cr: 138 Contributions in Aid of Construction

161 Operating Income

162 Credits to Operations

Posting Media: Journal Entry, ENG Form 3007

(15) Application of Prepayments and Advances

Dr: 107 Construction Work in Progress

171 Operation and Maintenance Expense

173.- (General Expense)

Cr: 115.1 Prepayments to Other Government Agencies

Posting media: Journal Entry, ENG Form 3007

(16) Distribution of Project Stores Issues and Warehouse Operating Expense

Dr: 107 Construction Work in Progress
171 Operation and Maintenance Expense
Cr: 107 Construction Work in Progress - (Cost account
Deferred and Other Undistributed Items)
179 Deferred and Other Undistributed Items
Posting media: Journal Entry, ENG Form 3007, supported by
material issue documents

(17) Distribution of Depreciation of Project-owned Temporary Facilities

Dr: 107 Construction Work in Progress - (Cost Account -
Operation and Maintenance Expense of Temporary
Facilities
179 Deferred and Other Undistributed Items - (Cost
Account - Operation and Maintenance Expense of
Temporary Facilities)
Cr: 107 Construction Work in Progress - (Cost Ac-
count - Construction Facilities and Plant)
179 Deferred and Other Undistributed Items -
(Cost Account - Temporary Facilities and
Plant)
Posting media: Journal Entry, ENG Form 3007, sup-
ported by depreciation schedule.

(18) Distribution of Deferred and Other Distributive Items

Dr: 107 Construction Work in Progress
171 Operation and Maintenance Expense
180 Flood Control and Coastal Emergencies
Cr: 107 Construction Work in Progress - (Cost Ac-
count - Deferred and Other Undistributed
Items)
179 Deferred and Other Undistributed Items
Posting media: Journal Entry ENG Form 3007.

NOTE: No posting will be made in general ledger accounts for entry 17 and those portions of entries 16 and 18 which affect only cost subsidiary accounts.

(19) (Reserved)

(20) Disposition of costs of Authorized Advance Design for Construction Projects Determined to be Unfeasible

Dr: 136.4 Nonreimbursable Costs - Preliminary Work for Unfeasible Construction Projects
Cr: 107 Construction Work in Progress

Posting media: Journal Entry, ENG Form 3007, supported by or referenced to document of unfeasibility

(21) (Reserved)

(22) Nonexpenditure Transfers to Other Government Agencies

(a) transfer out

Dr: Appropriate Asset or Expense Accounts
Cr: 136.5 Other Government Agencies - Cooperative and Construction Projects

Posting Media: Journal Entry, ENG Form 3007, supported by written evidence from OCE describing recipient, purpose, amount and appropriation involved.

(b) Return of funds by SF 1151 will involve written notice from OCE of return of unexpended balances from using agency and will be entered as contra to the foregoing entry.

(23) Transfer of Completed Construction Work in Progress to Plant in Service.

Dr: 101.- (Plant in Service)
Cr: 107 Construction Work in Progress
Posting media: Journal Entry, ENG Form 3007, supported by
work order completion reports.

(24) Retirement of Plant in Service

(a) Other than Multiple Purpose Projects.

1 Retirement of Plant

Dr: 132 Abandoned and Retired Property (Other than
Multiple Purpose Projects)
Cr: 101.- (Plant in Service)
Posting media: Journal Entry, ENG Form 3007, support-
ed by authorization for retirement,
to transfer book cost of property
being retired or abandoned.

2 Cost of Removal will normally be included as a part
of entry No. (7) preceding.

3 Sale of Retired and Abandoned Property will normally
be included as a part of entry No. (8) preceding.

(b) Multiple Purpose Projects.

1 Transfer of Book Cost of Plant to be Retired to Re-
tirement Work in Process.

Dr: 108.1 Plant, Property & Equipment in Process
of Retirement
Cr: 101.- Plant in Service
Posting media: Journal Entry, ENG Form 3007,
supported by authorization for
retirement.

2 Cost of Removal will be included in entry No. (7)
preceding.

1 Apr 69

3 Salvage Creditsa Return of reusable materials to stock.

Dr: 179 Deferred and Other Undistributed Items

Cr: 108.2 Retirement Work

Posting media: Journal Entry, ENG Form 3007, prepared from property turn-in document.

b Sales of Salvage will normally be included as a part of entry No. (8) preceding.4 Completion of Retirementa Land only

Dr: 108.3 Retirement Receipts

136.6 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (in case of loss). See Note, below.

137.2 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (in case of loss). See Note, below.

Cr: 108.1 Plant, Property and Equipment in Process of Retirement

108.2 Retirement Work

Posting media: Journal Entry, ENG Form 3007, supported by completion report.

Note: In case of a gain on retirement, Accounts 136.6 and 137.2 would be credited.

b Other than Land

Dr: 102 Provision for Depreciation and Amortization, Plant in Service

108.3 Retirement Receipts

Cr: 108.1 Plant, Property and Equipment in Process of Retirement

108.2 Retirement Work

Posting media: Journal Entry, ENG Form 3007, supported by completion report.

(25) Transfer of Cost or Property to or from Other GovernmentAgencies.(a) Transfer in

Dr: Appropriate Asset Accounts

Cr: 133.- Transfers of Cost or Property -

Posting media: Journal Entry, ENG Form 3007, supported by transfer documents

(b) Transfer out will be entered as contra to the foregoing entry.(26) Transfer of Unapplied Costs Upon Transition from Construction to Operation and Maintenance.(a) From Construction

Dr: 133.11 Transfers of Cost or Property - Construction, Operation and Maintenance and Emergency Activities - Completed and in Progress Projects

Cr: 107 Construction Work in Progress

(b) To Operation and Maintenance

Dr: 179 Deferred and Other Undistributed Items

Cr: 133.11 Transfers of Cost or Property - Construction,
Operation and Maintenance and Emergency
Activities - Construction and in Progress
Projects

Posting Media: Journal Entry, ENG Form 3007, supported by
data as to costs to be transferred.

Note: Examples of such unapplied costs: Stores, unapplied pay-
ments to contractors for unrecouped advances for utility
services.

(27) Payments to be made to States re Lease of Lands.

Dr: 107 Construction Work in Progress - (Cost Accounts - Deferred
and Other Undistributed Items)

171 Operation and Maintenance Expense

Cr: 133.11 Transfers of Cost or Property - Construction, Opera-
tion and Maintenance and Emergency Activities -
Completed and in Progress Projects

* Posting Media: Journal Entry, ENG Form 3007, as of 30 Sept each fiscal
year based on applicable grant income accounts during
fiscal year.

(28) Transfer of Costs, Expenditures and Contributions Applicable to Proj-
ects Transferred to Other Agencies or Local Interests.

(a) Dr: 131.241 Expenditures - Prior Years - Completed & In Progress
Projects

Cr: 131.249 Expenditures - Prior Years - Projects
Transferred to Other Agencies or Local Interests

(b) Dr: 133.9 Transfers of Cost or Property - Projects Transferred
to Other Agencies or Local Interests

Cr: 101.- (Plant in Service)

OR

107 Construction Work in Progress

ALSO, AS APPLICABLE

(c) Dr: 138.1 Contributions in aid of Construction - Completed and
In Progress Projects

Cr: 138.9 Contributions in Aid of Construction - Projects
Transferred to Other Agencies or Local
Interests.

Posting media: Journal Entry, ENG Form 3007, supported by work
order completion reports and copy of or reference
to transfer document or transfer authorization.

*

2-49

2-22f(27)

(29) Refund of Advanced or Contributed Funds.

Dr: 138 Contributions in Aid of Construction
or

143 Advances Received for Construction, Emergency Activities, and Operation and Maintenance

Cr: 141 Accounts Payable

Posting Media: Monthly summary on Journal Entry, ENG Form 3007a prepared from Accrued Expenditure Register.

(30) To Record Interest During Construction Phase of Multiple Purpose Projects

Dr: 107 Construction Work in Progress

CR: 134 Interest on Government Investment

Posting Media: Journal Entry, ENG Form 3007, supported by interest capitalized computations.

(31) Bills Placed in Doubtful Collection Status.

Dr: 114 Claims Receivable

Cr: 113.- Accounts Receivable

Posting Media: Monthly summary on Journal Entry, ENG Form 3007a prepared from Accounts Receivable Register.

SPECIAL ENTRIES FOR MULTIPLE PURPOSE PROJECTS IN OPERATION

(41) To Record Interest on Net Investment

Dr. 171 Operation and Maintenance Expense

Cr: 134 Interest on Government Investment

Posting Media: Journal Entry, ENG Form 3007, supported by interest computations.

(42) To Record Interest Capitalized

Dr: 107 Construction Work in Progress, (Cost Account - Undistributed Interest During Construction)

CR: 171 Operations and Maintenance Expense- (Cost Account- Interest Charged to Construction (CR))

Posting Media: Journal Entry ENG Form 3007, supported by interest capitalized computations

(43) To Record Depreciation and Amortization on Plant, Property and Equipment

Dr: 171 Operation and Maintenance Expense

Cr: 102 Provisions for Depreciation and Amortization- Plant in Service

Posting Media: Journal Entry ENG Form 3007, supported by depreciation and amortization

(44) To Record Collections Made by Other Government Agencies

Dr: 135.2 Funds Returned to Treasury by Other Government
Agencies

Cr: 161 Operating Income
162 Credits to Operations
163 Nonoperating Income

Posting Media: Journal Entry, ENG Form 3007, supported by
interagency agreements, etc.

Note: The basis for such collections to the account of any project
is normally an approved pay out agreement, or a cost reimbursable
agreement.

(45) Reserved

SPECIAL ENTRIES FOR CONTRIBUTED OR ADVANCED FUNDS AND SECURITIES
IN ESCROW

(51) To Record the Deposit of Contributed or Advanced Funds and
Securities Into Escrow.

Dr: 119 Contributions or Advances Held in Escrow

Cr: 143 Advances Received for Construction, Emergency
Activities, and Operation and Maintenance

Posting Media: Journal Entry, ENG Form 3007, supported by
copy of executed escrow agreement and evidence
of deposit in escrow. (Amount also posted in
"Funds Authorized" column of escrow ledger).

(52) To Record Obligation of Amounts in Escrow.

(a) Construction contract entered into and work started -
(Contributed Funds)

Dr: 143 Advances Received for Construction, Emergency Activities,
and Operation and Maintenance

Cr: 138 Contributions in Aid of Construction

Posting Media: Journal Entry, ENG Form 3007, for the full amount
of contributions in escrow for the particular job
(no entry required for advanced funds)

(b) Obligations Incurred. Entries made only in escrow ledger
(para 5-8.5). Amounts withdrawn from escrow are subdivided
between "unobligated allotments" and "undelivered orders", and
the decreases posted to escrow ledgers.

(53) To Release Unused Balance from Escrow

Dr: 138 Contributions in Aid of Construction
and/or

143 Advances Received for Construction, Emergency Activities,
and Operation and Maintenance

Cr: 119 Contributions or Advances Held in Escrow

Posting Media: Journal Entry ENG Form 3007 supported by engineering
determination and approval by Secretary of the
Army (para 3-5d). (Amounts also posted as reduc-
tion in "Funds Authorized" column of escrow ledger).

*

CLOSING ENTRIES AS OF 30 Sept

(81) To Close Current Year Expenditures and Reimbursements Accounts

(a) To Close Current Year Expenditures

Dr: 131.23 Expenditures - Current Year

Cr: 131.241 - (Expenditures - Prior Years)

(b) To Close Reimbursements

Dr: 131.241 - (Expenditures - Prior Years)

Cr: 131.25 Reimbursements to Appropriations - Current Year

Posting media: Journal Entry, ENG Form 3007

(82) To Close Income Accounts

Dr: 161 Operating Income

162 Credits to Operations

163 Non-operating Income

Cr: 136.- (Nonreimbursable Costs) (See Note)

137.1 Results from Operations (See Note)

Posting media: Journal Entry, ENG Form 3007.

NOTE: For revenue-producing operations close the income accounts to 137.1 Results from Operations; for all others use only 136.- (Nonreimbursable Costs).

(83) To Close Expense Accounts

Dr: 136.- (Nonreimbursable Costs) (See Note)

137.1 Results from Operations (See Note)

Cr: 171 Operation and Maintenance Expense

173.- (General Expenses)

174.- (Collection and Study of Basic Data)

175 Research and Development

176 Surveys (General Investigations)

177 Employees Compensation Fund

180 Flood Control and Coastal Emergencies

Posting media: Journal Entry, ENG Form 3007

NOTE: For revenue-producing operations, close the applicable expenses to 137.1 Results from Operations; for all others use only 136.- (Nonreimbursable Costs).

2-23. Chart C - Revolving Fund Activities General Ledger Accounts

a. Introduction. (1) The authority for establishment and operation of the Revolving Fund is contained in the Civil Functions Appropriation Act of 1954, Public Law 153, 83d Congress, 1st session, approved 27 July 1953, viz,

"For Establishment of a revolving fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of the plant and equipment of the Corps of Engineers used in civil works functions, including acquisition of plant and equipment, maintenance, repair, and purchase, operation and maintenance of not to exceed four aircraft at any one time, temporary financing of services finally chargeable to appropriations for civil works functions and the furnishing of facilities and services for military functions of the Department of the Army and other Government agencies and private persons, as authorized by law; \$100; and in addition, the Secretary of the Army is authorized to provide capital for the fund by capitalizing the present inventories, plant and equipment of the civil works functions of the Corps of Engineers. The fund shall be credited with reimbursements or advances for the cost of equipment, facilities, and services furnished, at rates which shall include charges for overhead and related expenses, depreciation of plant and equipment, and accrued leave: Provided, That on July 1, 1953, (1) the fund shall assume the assets, liabilities, and obligations of the Plant accounts, as carried on the records of the Corps of Engineers as of June 30, 1953, under the appropriations for 'Maintenance and Improvement of Existing River and Harbor Works', 'Flood Control, General', and 'Flood Control, Mississippi River and Tributaries', and (2) there shall be transferred from said appropriations to the fund amounts equivalent to the unexpended cash balances of the Plant accounts on June 30, 1953: Provided further, that the total capital of said fund shall not exceed \$140,000,000."

(2) The accounts included in Chart C are established to record all assets, liabilities, income and expenses of the Revolving Fund. The transactions to be initially financed by the Revolving Fund will be limited to the following types:

(a) Transactions which will be reflected as expenditures of the Revolving Fund to be billed at cost to the other agencies, projects and appropriations, and which will be reflected as income of the Revolving Fund:

1. Financing of common inventories for civil works such as bulk materials and supplies.

2. Initial financing of procurement of commodities or services for more than one civil works project, whether or not materials so procured are delivered direct to such projects.

3 Operation of common storehouses which serve more than one civil works project or appropriation.

4 Acquisition of construction and operating facilities and equipment which in the opinion of the District Engineer are expected to serve more than one civil works project or appropriation.

5 Acquisition and hire of all passenger motor vehicles required for civil activities in conformance with the provisions of civil functions appropriation acts in effect subsequent to 30 June 1953.

6 Operation and maintenance of construction and operating facilities and equipment which in the opinion of the District Engineer are expected to be used for more than one civil works project or appropriation.

7 Financing of work or services performed for other Governmental agencies, (including military functions of the Corps), states, municipalities and individuals or corporations outside the Federal Government on a reimbursable basis, such as engineering and design work, and non-government dredging inspection.

8 Financing general administrative expenses at the district offices.

9 All work performed by the Revolving Fund, including payment of contracts, for projects or other agencies on a "job" basis.

(b) The Revolving Fund will also provide initial financing of all payroll costs including labor costs of consultants properly classed as "Personnel compensation" in districts having both civil and military programs.

(3) As used in subparagraph 1(2)(a) above, a project may be either an entire project authorization or any major subdivision thereof by location or for separate operable unit for which a separate group of feature cost accounts or separate operational records are maintained.

* (4) All plant, property and equipment purchased to serve more than one civil works project or multiple appropriations for civil works activities will be acquired through the Revolving Fund Plant Replacement and Improvement Program (PRIP) (ER 1125-2-301). Plant, property and equipment expected to serve only one civil works project will be acquired with that project's funds and not the PRIP.

*

b. Chart of Accounts. The classification of accounts prescribed in this chart is applicable to all installations carrying on Revolving Fund activities. The accounts prescribed for the Revolving Fund are to be used to prepare the budgetary and accounting statements which consist of Source and Application of Funds Statement, Income and Expense Statement and a Balance Sheet, and the necessary supporting schedules. In view of the fact that the Revolving Fund operates on a business-type budget and is financed from its own receipts, it is not necessary to establish the budgetary and allotment accounts normally required for appropriated funds.

Balance Sheet Accounts

Fixed Assets.

- 301 Plant, Properties and Equipment - Book Cost
 - 301.1 Land
 - 301.2 Structures and Equipment
- 302 Provision for Depreciation - Structures and Equipment
- 307 Plant Acquisition in Progress
- 308 Plant Retirement Work in Progress

Current and Accrued Assets

- 310 Funds with Treasury
- 313 Accounts Receivable
- 315 Stores
 - 315.1 Warehouse Stocks
 - 315.2 Plant Inventories
- 316 Prepayments and Advances
 - 316.1 Prepayments to other Government Agencies
 - * 316.2 (Reserved)
 - 316.3 Other Advances
 - 316.4 (Reserved)
- 317 Work in Progress for Others
- 325 Deferred and Undistributed Items
 - 325.1 Deferred Balances - Plant Operations
 - 325.2 Other Deferred and Undistributed Items

Investment of the U. S. Government

- 330 Provision for Plant Replacement
- 331 Appropriations from U. S. Treasury
- 332 Other Net Assets, Transferred from Projects upon Establishment of the Revolving Fund

1 Apr 69

- 333 Transfers of Cost or Property
 - 333.1 Transfers - Other Government Agencies and Appropriations
 - 333.2 Transfers - Other Districts' Revolving Funds
- 334 Recoveries of Expenses From Project Funds for Appropriation
 - Transfers to Other Agencies
- 335 Funds Returned to U. S. Treasury (Dr)
- 336 Capital Adjustments for Accrued Annual Leave
- 337 Results from Operations
- 338 Nonoperating Income (or Loss)

Current and Accrued Liabilities

- 341 Accounts Payable
- 343 Advances for Services and Commodities
- 344 (Reserved)
- 345 Accrued Leave

Operating Reserves

- 351 Insurance

Operating Accounts

- 401 Sales
 - 401.1 Sales to Other Districts' Revolving Fund
 - 401.2 Sales to Civil Works
 - 401.3 Sales to Other Appropriations or Agencies
 - 401.4 Sales - Nongovernmental
- 414 Cost of Goods Sold
- 415 Operating Expenses

c. Definitions of Accounts.

301 Plant, Properties, and Equipment. Under this caption is included the book cost of all land, structures, and equipment in service owned and operated by the Revolving Fund.

301.1 Land. This account includes the book cost of all land owned by the Revolving Fund. This account is supported by subsidiary cost accounts maintained as described in Chapter 7.

1 Apr 69

301.2 Structures and Equipment. This account includes the cost of all depreciable structures and improvements such as buildings and permanently attached equipment and fixtures, operating equipment, construction equipment, utility equipment, etc. This account is supported by subsidiary cost accounts as described in Chapter 7.

302 Provision for Depreciation - Structures and Equipment. This account includes the provision for depreciation relating to Revolving Fund structures and equipment. The account is credited with the current accruals of depreciation and is charged with the cost of depreciation previously accrued applicable to assets placed in retirement or disposal status. This account is supported by subsidiary cost accounts maintained as described in Chapter 7.

307 Plant Acquisition in Progress. This account includes all costs incurred for acquiring any land, structures or equipment for the Revolving Fund. All such capital expenditures of the Revolving Fund are cleared through this account.

This account is credited and the asset account charged with the total cost of the acquisitions in accordance with par 7-9e. This account is supported by subsidiary cost accounts in the 478.- series which are identified with each item or group of items being acquired.

308 Plant Retirement Work in Progress. This account includes the cost of land, structures and equipment in process of retirement. The account is charged with book value of the asset to be retired, and with all costs incidental to retirement of the asset leading up to its final disposition. The account is credited with sales price of the asset and other credits resulting from dispositions. The balance remaining after final disposition is transferred to account 351, Insurance, in the case of retirements due to casualty loss; to account 333, Transfers of Cost or Property, in the case of property transfers without reimbursement processed through this account; to account 338, Nonoperating Income (or Loss), in the case of assets disposed of by sale. This account is supported by subsidiary cost accounts in the 479.- series which are identified with each item or group of items being retired.

310 Funds with Treasury. This account reflects the undisbursed balance of the District's portion of the Corps of Engineers Revolving Fund.

313 Accounts Receivable. This account includes bureau vouchers (bills) receivable representing the amounts of bills generated as a result of orders, agreements, etc. The procedures for billing and collection are covered in Chapter 4. Subsidiary ledgers are not maintained; the account is supported by, and reconciled with, outstanding bureau vouchers (bills) receivable. Summary postings from the Accounts Receivable and Cash Receipts and Deposits Registers are made to the account.

ER 37-2-10

Change 22

29 Jun 73

315 Stores. This caption includes the balances in account 315.1 and 315.2.

315.1 Warehouse Stock. This account includes the cost of materials and supplies held by the Revolving Fund in warehouses for general use. This account is supported by subsidiary cost accounts as described in Chapter 7.

315.2 Plant Inventories. This account includes as of the end of each accounting period the value of cupboard, shop, and plant operation supplies held at the point of consumption for day-to-day use. This account is supported by inventories reported on plant operation reports (Cost Forms 27, and 30, and ENG Forms 3735 and 4267) as of the end of an accounting period; perpetual inventory records are not maintained. In addition, this account may be supported by subsidiary cost accounts as described in Chapter 7.

316 Prepayments and Advances. This caption includes the balances in Accounts 316.1, and 316.3.

316.1 Prepayment to Other Government Agencies. This account includes all advances made to the General Services Administration and other government agencies, including advances made under Section 601 of the Economy Act (30 June 1932) to cover payments for services to be rendered or property to be furnished or transferred. This account is subdivided to show the status of advances made to each agency. On the basis of cost or receiving reports obtained from the agency receiving the advance, this account is credited and the appropriate asset or expense account debited. Subsidiary accounts are not maintained hereunder.

316.2 (Reserved.)

316.3 Other Advances. This account is charged with any advances made from the Revolving Fund other than those included in account 316.1 and is credited with repayments or liquidations thereof.

316.4 (Reserved.)

317 Work in Progress for Others. This account is charged with unbilled costs of work in progress for other appropriations, agencies and individuals, which have been reflected in Revolving Fund accounts as expenses and sales, and debit balances in advance accounts (para 7-11a(3)). The account is credited with billings when accounts receivable are established for these charges and is supported by cost accounts in the 481.-series.

* 2-23c

2-58

BEST COPY AVAILABLE

325 Deferred and Undistributed Items. This caption includes deferred items not elsewhere provided for, such as costs and income which relate to future operations. The accounts to be maintained under this caption are as follows:

325.1 Deferred Balances - Plant Operations. This account includes undistributed (over-or-under) balances of plant operation accounts (see Chapter 7) at end of quarterly report periods.

325.2 Other Deferred and Undistributed Items. This account includes all other deferred costs and income applicable to future accounting periods. As the deferred expense or income is applied to current operations, this account is credited or charged, as appropriate. This account is supported by subsidiary deferred and undistributed cost accounts described in Chapter 7.

330 Provision for Plant Replacement. This account is credited with amounts charged to operating expense accounts to cover estimated additional costs of plant replacements and is charged with quarterly amounts transferred to Office, Chief of Engineers.

331 Appropriations from the U. S. Treasury. This account includes the amount of capital funds made available to the District Revolving Fund. It is credited with the amounts of funds transferred from appropriations upon establishment of the Revolving Fund and charged and credited respectively, with withdrawals and allocations made by the Office, Chief of Engineers.

332 Other Net Assets Transferred from Projects Upon Establishment of the Revolving Fund. This account includes the net value of all assets other than cash transferred from appropriations as of 1 July 1953. It reflects the amount of all assets (except cash) less reserves and outstanding liabilities, adjusted by net results from operations, at that date.

333 Transfers of Cost or Property. There is included under this caption the book value of property and cost transferred without adjustment of funds in accordance with existing law and regulation, between the Revolving Fund and (1) other governmental agencies and appropriations, and (2) Revolving Funds of other districts. These accounts are supported by subsidiary cost accounts described in Chapter 7.

333.1 Transfers - Other Government Agencies and Appropriations. This account is charged or credited, as appropriate with the book value of property or cost transferred to or from other government agencies and appropriations, other than the Revolving Fund of districts, in accordance with existing law and regulation.

333.2 Transfers - Districts' Revolving Funds. This account is charged or credited, as appropriate, with book value of Revolving Fund cost or property transferred without reimbursement between Revolving Funds of districts. This account will be subject to analysis to disclose the transfers to and from the districts involved.

334 Recoveries of Expenses From Project Funds for Appropriation Transfers to Other Agencies. This account is credited with amounts charged to operating expense accounts for costs paid by other agencies and for which settlement is made by appropriation transfer procedures by Office, Chief of Engineers at departmental level (e.g., rentals, operating and maintenance costs of facilities for which payment is initially made by General Services Administration). This account is used only when so directed by the Chief of Engineers.

335 Funds Returned to the U. S. Treasury (Dr). This account is charged with the total of any funds returned to the U. S. Treasury as general fund (miscellaneous) receipts in connection with Revolving Fund Activities. It will be maintained in a manner permitting ready analysis by receipt symbols and titles. If volume warrants, the General Ledger Account may be subdivided to reveal the desired information, or subsidiary accounts may be established.

336. Capital Adjustments for Accrued Annual Leave. This account reflects adjustments to capital resulting from including the full monetary value of annual leave due employees in the accrued leave accounts. This account is utilized only to record specific transactions as authorized by the Chief of Engineers.

337 Results from Operations. This account includes the net operating results as of the end of the preceding fiscal year. It represents the net balances of operating income and expense accounts maintained in accordance with Chapter 7 for (1) Plant and Equipment Services, (2) Warehousing Activities, (3) Shop and Facility Services, and (4) General Administrative Services. In those districts where required for control purposes, this account may be subdivided as follows:

- 337.1 Plant and Equipment Services
- 337.2 Warehousing Activities
- 337.3 Shop and Facility Services
- 337.4 General Administrative Services

338 Nonoperating Income (Or Loss). The balance in this account is the result of such nonoperating transactions as gains or losses resulting from sales of plant, properties and equipment; surcharges on loan of plant to Non-Federal agencies; jury duty fees; court witness fees and other items required to be deposited as general fund receipts. Subsidiary cost accounts are maintained to disclose pertinent details of this account as described in Chapter 7. *

341 Accounts Payable. This account includes all bureau vouchers payable (unpaid liabilities) at the close of the accounting period. The account is supported by the files of unpaid bureau vouchers. Posting from the Accrued Expenditure and Cash Disbursements Registers are made to this account. When required for reporting purposes, an analysis of such outstanding liabilities will be made.

343 Advances for Services and Commodities. This account is credited with amounts received by Revolving Fund for services or commodities to be furnished including estimated accrued costs at end of accounting periods. This account is also credited by offices performing central payroll functions with all amounts received from serviced districts covering payrolls, Government contributions for personnel benefits, and severance pay entitlements in advance of disbursement. This account is charged with amounts applied against such advances and return of remaining balances after all costs are applied.

345 Accrued Leave. The balance in this account reflects the liability reserve for accrued annual leave remaining to the credit of civilian employees who are currently paid from the Revolving Fund and charged to activities, etc., at effective time rates. It is charged with the gross amount of payrolls payable from the Revolving Fund, including pay of consultants and gross severance pay entitlements for separated personnel, and credited with labor cost distributions determined by both the effective time and actual pay methods, and refunds of terminal leave payments. The account is also charged with the value of annual leave of employees transferred (out) to the Revolving Fund of another district, and credited with such value by the transferee district. Amounts of payrolls processed for other districts are not included in this account in the records of the

ER 37-2-10
Change 33
27 Apr 77

district in which the Central Payroll Office is located. This account is supported by subsidiary cost accounts as described in Chapter 7.

351 Insurance. This account is charged with casualty losses and damages of the types as are normally covered by commercial insurance. It is credited with insurance premiums charged to operations, and with recoveries from others for such damages and losses. Subsidiary cost accounts are maintained as described in Chapter 7.

401 Sales. There is included under this caption, subdivided as to class of customer, the accounts for income resulting from sales of commodities and services by the Revolving Fund. In those districts where required for control purposes, the accounts may be further subdivided as follows:

- 401.-1 Plant and Equipment Services
- 401.-2 Warehousing Activities
- 401.-3 Shop and Facility Services
- 401.-4 General Administrative Services

The sale of plant and equipment services to a civil works project would thus be coded as 401.21 and services rendered to the Revolving Funds of other districts would be coded as 401.11. Subsidiary cost accounts are maintained for each department and activity operated by the Revolving Fund as explained in Chapter 7. but are not subdivided by class of
* customer. The balances in accounts under this caption on 30 Sept are closed into General Ledger Account 337, Results from Operations, subsequent to the preparation of the general ledger trial balance as of 30
* Sept each fiscal year. See proforma journal entry No. 19.

401.1 Sales to Other Districts' Revolving Fund. All sales to other Districts' Revolving Fund are included in this account.

401.2 Sales to Civil Works. All sales to civil works activities of the Corps are included in this account.

401.3 Sales to Other Appropriations or Agencies. Except for sales included in Accounts 401.1 and 401.2, all sales to other appropriations and agencies, including sales made to the military activities of the Corps, are included in this account.

401.4 Sales - Nongovernmental. This account includes all sales made by the Revolving Fund other than sales includible in Accounts 401.1, 401.2 and 401.3. This account includes sales to states, municipalities, and private persons and concerns.

414 Cost of Goods Sold. This account is charged with the cost of goods (stock) sold for which the income is included in Account 401. The account relates exclusively to the book cost of warehouse stock sold. Subsidiary cost accounts are maintained to show the cost of * warehouse stock issued and sold, as described in Chapter 7. The balance in this account on 30 September is closed into General Ledger Account 337, Results from Operations, subsequent to the preparation of the general ledger trial balance as of 30 September each fiscal year. See proforma journal entry No. 20. *

415 Operating Expenses. This account includes all expenses in connection with operating the activities of the Revolving Fund. In those districts where required for control purposes the account may be subdivided as follows:

- 415.1 Plant and Equipment Services
- 415.2 Warehousing Activities
- 415.3 Shop and Facility Services
- 415.4 General Administrative Services

* Subsidiary cost accounts are maintained to show the operating cost by departments or activities as described in Chapter 7. The balance in this account on 30 September is closed into General Ledger Account 337, Results from Operations, subsequent to the preparation of the general ledger trial balance as of 30 September each fiscal year. See pro-forma * journal entry No. 20.

d. Index to Pro-Forma Entries, Chart C, Revolving Fund Activities.

- (1) Advice of Funds Allocation Received
- (2) Recording Accounts Payable
- (3) Disbursements for Vouchers and Claims Approved for Payment
- (4) Recording Bills Rendered
- (5) Cash Collections Including Collections of Bills Rendered
- (6) Distribution of Stores Issues
- (7) Distribution of Revolving Fund Labor Cost
- (8) Accrual of Depreciation of Revolving Fund Plant in Service

- (9) Accrual of Revolving Fund Insurance Premium
- (10) Application of Costs to Advance Payments Received
- (11) Application of Prepayments and Advances to Others
- (12) Reserved
- (13) Assembly of Costs of Reimbursable Work in Progress for Others
- (14) Distribution of Tool Replacement and Expense
- (15) Transfers of Cost or Property
- (16) Transfer of Completed Plant Acquisition in Progress to Plant
in Service
- (17) Retirement of Plant, Properties and Equipment in Service
- (18) Transfer and Billing Cost of Shop Work in Progress
- (19) To Close Income Accounts
- (20) To Close Expense Accounts
- (21) Refund to Unapplied Balance of Advance for Services and
Commodities
- (22) Refund of Court Fees by Employees
- (23) Civilian Personal Services Accounting - Central Payroll
Operations
- (24) Deferment of Loss on Excess Stock Sales
- (25) Transfer of Balance of Salvage Operations Account at the
beginning of Fiscal Year
- (26) Deferral of Balances - Plant Operations Accounts
at End of Reporting Periods
- (27) Accrual of Provision for Plant Replacement
- (28) Quarterly Transfer of Earnings - Provision for Plant
Replacement
- (29) Cost of Shore Leave Earned

e. Pro-Forma Entries, Chart C.

(1) Advice of Funds Allocation Received

Dr: 310 Funds with Treasury

Cr: 331 Appropriations from U. S. Treasury

Posting Media: Advice of Transfer of Capital Funds -
Revolving Fund, ENG Form No. O-3097.

Note: This entry is reversed when funds are withdrawn
by the Chief of Engineers

(2) Recording Accounts Payable

Dr: 307 Plant Acquisition in Progress
308 Plant Retirement Work in Progress
315.1 Warehouse Stocks
316.1 Prepayments to Other Government Agencies

316.3 Other Advances
325.2 Other Deferred and Undistributed Items
345 Accrued Leave
351 Insurance (Damage claims)
415 Operating Expenses
Cr. 341 Accounts Payable

Posting Media: Journal Entry, ENG Form 3007a, prepared from
Accrued Expenditure Register, ENG Form 3004

Note: This entry is reversed in the case of applicable cash
discounts and adjustments decreasing the amount of the
original bureau voucher, except that cash discounts on
purchases for warehouse stock are credited to Account
415 (Cost Account 425).

*

(3) Disbursements for Vouchers and Claims Approved for Payment

Dr: 341 Accounts Payable
Cr. 310 Funds with Treasury

Posting Media: Journal Entry, ENG Form 3007a, prepared monthly
from Cash Disbursements Register, ENG Form
3001.

(4) Recording Bills Rendered

Dr: 313 Accounts Receivable

Cr: 308 Plant Retirement Work In Progress
317 Work in Progress for Others
343 Advances for Services and Commodities
345 Accrued Leave

351 Insurance (Recoveries from Others for Damages
and Losses)

401.1 Sales to Other Districts' Revolving Fund

401.2 Sales to Civil Works

401.3 Sales to Other Appropriations or Agencies

401.4 Sales - Nongovernmental

Posting Media: Journal Entry, ENG Form 3007a, prepared from
Accounts Receivable Register, ENG Form 3003

(5) Cash Collections Including Collections of Bills Rendered

Dr: 310 Funds with Treasury
315 Funds Returned to U. S. Treasury (for cash collections credited to unavailable general, special and trust fund receipt accounts)

Cr: 313 Accounts Receivable

Posting Media: Journal Entry, ENG Form 3007a, prepared monthly from the Cash Receipts and Deposits Register, ENG Form 3002.

(6) Distribution of Stores Issues

(a) Distribution of Revolving Fund Warehouse Stocks Consumed and Sold from Inventory Account

Dr: 414 Cost of Goods Sold (for book cost of stock sold)
415 Operating Expenses (for book cost of stock consumed)
Cr: 315.1 Warehouse Stocks

Posting Media: Journal Entry, ENG Form 3007 prepared from summary of stocks consumed and sold.

(b) Distribution of Warehouse Stocks (including operating burden) for Internal Use of Revolving Fund

Dr: 307 Plant Acquisition in Progress
308 Plant Retirement Work in Progress
325 Other Deferred and Undistributed Items
415 Operating Expenses

Cr: 415 Operating Expenses (Joint Cost Credits)

Posting Media: Journal Entry, ENG Form 3007, prepared from summary of stocks consumed and sold.

(c) Sales from Warehousing Activity to Others

Dr: 313 Accounts Receivable

OR

317 Work in Progress for Others

Cr: 401.1 Sales to Other Districts' Revolving Fund
401.2 Sales to Civil Works
401.3 Sales to Other Appropriations or Agencies
401.4 Sales - Nongovernmental

Posting Media: Journal Entry, ENG Form 3007a, prepared from Accounts Receivable Register, ENG Form 3003 or, for charges to Account 317, Work in Progress for Others, Journal Entry ENG Form

3007 prepared from summary of stocks consumed
and sold.

(7) Distribution of Labor Cost

Dr: 307 Plant Acquisition in Progress
308 Plant Retirement Work in Progress
323.2 Other Deferred and Undistributed Items
415 Operating Expenses
Cr: 343 Accrued Leave

Posting Media: Journal Entry, ENG Form 3007, prepared from
summary of labor distribution.

(8) Accrual of Depreciation of Revolving Fund Plant in Service

Dr: 415 Operating Expenses
Cr: 302 Provision for Depreciation - Structures and
Equipment

Posting Media: Journal Entry, ENG Form 3009, supported by
depreciation schedule

(9) Accrual of Revolving Fund Insurance Premium

Dr: 415 Operating Expenses
Cr: 351 Insurance

Posting Media: Journal Entry, ENG Form 3009.

(10) Application of Costs to Advance Payments Received

Dr: 343 Advances for Services and Commodities

Cr:
401.- Sales

Posting Media: Journal Entry, ENG Form 3007.

(11) Application of Prepayments and Advances to Others

Dr: 307 Plant Acquisition in Progress
308 Plant Retirement Work in Progress
315.1 Warehouse Stocks
415 Operating Expenses
Cr: 316.1 Prepayments to Other Government Agencies
Posting Media: Journal Entry, ENG Form 3007

(12) (Reserved)

(13) Assembly of Costs of Reimbursable Work in Progress for Others

(a) Transfer of Costs from Various Activities

Dr: 317 Work in Progress for Others
OR
313 Accounts Receivable
Cr: 401.1 Sales to Other Districts' Revolving Fund
401.2 Sales to Civil Works
401.3 Sales to Other Appropriations or Agencies
401.4 Sales - Nongovernmental
Posting Media: Journal Entry, ENG Form 3007, based upon
notification of amounts to be transferred
to Work in Progress for Others; or for
direct billings, Journal Entry ENG Form 3007a
prepared from Accounts Receivable Register,
ENG Form 3003.

(b) Distribution of Overhead (to Military Projects and to Others)

Dr: 317 Work in Progress for Others
OR
313 Accounts Receivable
Cr: 401.1 Sales to Other Districts' Revolving Fund
401.2 Sales to Civil Works
401.3 Sales to Other Appropriations or Agencies
401.4 Sales - Nongovernmental
Posting Media: Journal Entry, ENG Form 3007, or ENG Form 3007a.
(See preceding.)

Note: In distributing costs of reimbursable work and/or overhead on
same (entries 13(a) and 13(b) above), two methods are provided, (1) for use
when immediate billing is made in which event the debit will be to account
313-Accounts Receivable, or (2) for deferred billing in which event the
debit will be to Account 317 - Work in Progress for Others.

(c) Distribution of Overhead to Civil Works

Dr: 313 Accounts Receivable
Cr: 401.2 Sales to Civil works
Posting Media: Journal entry, ENG Form 3007a.

(14) Distribution of Tool Replacement and Expense

(a) Within Revolving Fund

Dr: 307 Plant Acquisition in Progress
308 Plant Retirement Work in Progress
325 Deferred and Undistributed Items
415 Operating Expenses
Cr: 415 Operating Expenses (Joint Cost Credits)
Posting Media: Journal Entry, ENG Form 3007.

(b) To Others

Dr: 313 Accounts Receivable
OR
317 Work in Progress for Others
Cr: 401.1 Sales to Other Districts' Revolving Fund
401.2 Sales to Civil works
401.3 Sales to Other Appropriations or Agencies
401.4 Sales - Nongovernmental
Posting Media: Journal Entry, ENG Form 3007a, or ENG Form 3007.

(15) Transfers of Cost or Property

(a) Transfer in (From Revolving Fund of Another District)

Dr. Appropriate Asset or Expense Account
Cr: 302 Provisions for Depreciation - Structures and
Equipment
333.2 Transfers of Cost or Property - Other Districts'
Revolving Fund
415 Operating Expense (Joint cost credit entry in
plant operation account)

Posting Media: Journal Entry, ENG Form 3007 supported by
transfer documents.

(b) Transfer Out (To Revolving Fund of Another District)

Dr: 333.2 Transfers of Cost or Property - Other Districts'
Revolving Fund
415 Operating Expenses (Joint cost (debit) entry in
plant operation account)

302 Provision for Depreciation - Structures and Equipment
Cr. Appropriate Asset or Expense Account
Posting Media: Journal Entry, ENG Form 3007 supported by transfer documents.

(c) Transfer In (From Other Agencies and Appropriations)

Dr: Appropriate Asset or Expense Account
Cr. 302 Provision for Depreciation - Structures and Equipment
333.1 Transfers - Other Government Agencies and Appropriations
Posting Media: Journal Entry, ENG Form 3007, supported by transfer documents.

(d) Transfer Out (To Other Agencies and Appropriations)

Dr: 333.1 Transfers - Other Government Agencies and Appropriations
302 Provision for Depreciation - Structures and Equipment
Cr. Appropriate Asset or Expense Account
Posting Media: Journal Entry, ENG Form 3007, supported by transfer documents.

(e) Depreciation Applicable to Revolving Fund Structures Occupied Under Use—Free Permits

Dr: 333.1 Transfers - Other Government Agencies and Appropriations
Cr. 415 Operating Expenses (Joint Cost Credits)
Posting Media: Journal Entry, ENG Form 3007, referenced to appropriate permit.

(16) Transfer of Completed Plant Acquisition in Progress to Plant in Service

Dr: 301.1 Land
301.2 Structures and Equipment
Cr. 307 Plant Acquisition in Progress
Posting Media: Journal Entry, ENG Form 3007, supported by work order completion reports, or balance in 478.- series accounts for tools, office furniture and equipment. (See par 7-9e)

(17) Retirement of Plant, Properties and Equipment in Service

(a) Transfer of Book Value of Asset to Retirement Work in Progress

Dr: 308 Plant Retirement Work in Progress
302 Provision for Depreciation - Structures and Equipment
Cr. 301.1 Land
301.2 Structures and Equipment

Posting media: Journal Entry ENG Form 3007, supported by retirement work order, or balance in 479.- series accounts for tools, office furniture and equipment. (See par 7-9f)

Note: When nongroup plant is retired, balance in the plant operation account will be transferred to account 490.9 (GL 338) concurrently with entry (a)

- (b) Cost of Removal is included in preforma entry No.(2) preceding.
- (c) To Record Values of Property Salvaged from Plant, Properties and Equipment Retired

1. Return of reusable materials to stock

Dr: 315.1 Warehouse Stocks
Cr: 308 Plant Retirement Work in Progress
Posting Media: Journal Entry, ENG Form 3007, prepared from turn-in document.

2. Transfer of Excess Materials to be Salvaged

- * Dr: 415 Operating Expenses (subsidiary cost account 427.-)
Cr: 308 Plant Retirement Work in Progress
Posting Media: Journal entry, ENG Form 3007, based on estimated net salvage value of salvaged materials

(d) To Record Proceeds from Sale of Retired Assets

Dr: 313 Accounts Receivable
Cr: 308 Plant Retirement Work in Progress
Posting Media: Journal Entry, ENG Form 3007a, prepared from Accounts Receivable Register, ENG Form 3003.

(e) Retirement of Assets Completed

Dr: 338 Nonoperating Income (or loss)
(For retirement by sale of plant properties and equipment)

333.1 Transfers - Other Governmental Agencies or Appropriations.
(For retirement by transfer without reimbursement in the case of such transfers processed through plant retirement work order accounts)

333.2 Transfers - Other Districts' Revolving Funds
(For retirement by transfer to revolving funds of other districts in the case of such transfers processed through plant retirement work order accounts)

351 Insurance
(For retirements due to casualty loss in the case of such losses processed through plant retirement work order accounts)

Cr: 308 Plant Retirement Work in Progress

Posting Media: Journal Entry, ENG Form 3007, supported by completed retirement work order.

2 Pro forma entry E above presupposes retirement action to result in a debit balance in the retirement work order account. The entries would be reversed in the case of remaining credit balances.

(f) Casualty Losses

1 Property Losses

Dr: 351 Insurance
Cr: 308 Plant Retirement Work in Progress
Posting Media: Journal Entry, ENG Form 3007.

2 Damages Resulting from Casualty

Dr: 351 Insurance
Cr: 341 Accounts Payable
415 Operating Expenses
Posting Media: Bureau Voucher, ENG Form 3005, or Journal Entry, ENG Form 3007, as appropriate

(18) Transfer and Billing Cost of Shop Work in Progress

Dr: 307 Plant Acquisition in Progress
308 Plant Retirement Work in Progress
313 Accounts Receivable
315.1 Warehouse Stocks
317 Work in Progress for Others

325.2 Other Deferred and Undistributed Items

343 Advances for Services and Commodities

415 Operating Expenses

Cr: 401.1 Sales to Other Districts' Revolving Fund
401.2 Sales to Civil Works
401.3 Sales to Other Appropriations or Agencies
401.4 Sales - Nongovernmental
415 Operating Expenses (Joint Cost Credits)

Posting media: Journal entry, ENG Form 3007, prepared from summary of shop work in progress accounts for transfers to other Revolving Fund accounts; and, for direct billings, ENG Form 3007a prepared from Accounts Receivable Register, ENG Form 3003.

(19) To Close Income Accounts

Dr: 401.1 Sales to Other Districts' Revolving Fund
401.2 Sales to Civil Works
401.3 Sales to Other Appropriations or Agencies
401.4 Sales - Nongovernmental
Cr: 337 Results from Operations

Posting media: Journal Entry, ENG Form 3007.

(20) To Close Expense Accounts

Dr: 337 Results from Operations
Cr: 414 Cost of Goods Sold
415 Operating Expenses

Posting media: Journal Entry, ENG Form 3007

Note: Proforma entries Nos. 19 and 20 provide for close out of general ledger nominal accounts at end of fiscal year. The subsidiary cost accounts are not closed out at this time but the balances are carried forward to new cost ledger cards for the new fiscal year. In establishing opening balances for the new fiscal year, balances of accounts 425.-, Warehouse Operating Expenses, and 426.-, Cost of Material Consumed and Sold, are merged as opening balance of Account 425.-. *

(21) Refund of Unapplied Balance of Advance for Services and Commodities

Dr: 343 Advances for Services and Commodities
Cr: 341 Accounts Payable

Posting Media: Journal Entry, ENG Form 3007a, prepared from Accrued Expenditure Register, ENG Form 3004.

(22) Refund of Court Fees by Employees

A. To record bills rendered to cover refund of jury duty and court witness fees.

Dr: 313 Accounts Receivable
Cr: 338 Nonoperating Income (or Loss)

Posting media: Journal Entry, ENG Form 3007a prepared from Accounts Receivable Register, ENG Form 3003.

*

B. To record collection of refund for repayment of jury duty fees, and court witness fees.

Dr: 310 Funds with Treasury

*

Cr: 313 Accounts Receivable

Posting media: Journal Entry, ENG Form 3007a, prepared monthly from the Cash Receipts and Deposits Register, ENG Form 3002.

(23) Civilian Personal Services Accounting - Central Payroll Operations.

A. Serviced Office

1 To record estimated amount of payrolls for time and attendance reports transmitted to Central Payroll Office.

Dr: 345 Accrued Leave (estimated payroll)
415 Operating Expenses (estimated personnel benefits)
Cr: 310 Funds with Treasury

Posting Media: Journal Entry, ENG Form 3007

Note: This entry is net of adjustments with Central Payroll Office for prior periods.

*

2-23e(22)

2-74

TEXT COPY AVAILABLE

2 (Reserved)

B. Servicing Districts (Central Payroll Office)

1 To record gross amounts of payrolls certified for others

Dr: 343 Advances for Services and Commodities
Cr: 341 Accounts Payable

Posting Media: Journal Entry, ENG Form 3007a, prepared from
Accrued Expenditure Register, ENG Form 3004.

2 To record amounts transferred from serviced districts for
payrolls and personnel benefits.

Dr: 310 Funds with Treasury
Cr: 343 Advances for Services and Commodities

Posting Media: Journal Entry, ENG Form 3007, based on copy of
journal entry received from serviced district.

(24) Deferment of Loss on Excess Stock Sales

Dr: 325.2 Other Deferred and Undistributed Items
Cr: 415 Operating Expenses (Joint Cost Credits)

Posting Media: Journal Entry, ENG Form 3007.

(25) Transfer of Balance of Salvage Operations Account at the Beginning of Fiscal Year

Dr: 415 Operating Expenses (Salvage Operations)
Cr: 338 Nonoperating Income (or Loss)

Posting Media: Journal Entry, ENG Form 3007.

Note: The foregoing assumes a credit balance in the Salvage Operations account prior to transfer. In case of a debit balance, the entry would be reverse of above. Record entries (Dr or Cr) in "joint cost credits" column of the ledger sheet for account 427.- Salvage Operations.

*

(26) Deferral of Balances - Group Plant Operation Accounts at End of Reporting Periods

Dr: 415 Operating Expenses
Cr: 325.1 Deferred Balances - Plant Operations

Posting Media: Journal Entry, ENG Form 3007. (This entry will be reversed at beginning of next accounting period).

Note: The foregoing assumes a net credit balance in plant operation accounts. In case of a net debit balance, the entry would be reverse of above. Record entries (Dr or Cr) in "joint cost credit" column of ledger sheet for operation accounts.

(27) Accrual of Provision for Plant Replacement

Dr: 415 Operating Expenses
Cr: 330 Provision for Plant Replacement

Posting Media: Journal Entry, ENG Form 3009

(28) Quarterly Transfer of Earnings - Provision for Plant Replacement

Dr: 330 Provision for Plant Replacement
Cr: 310 Funds with Treasury

Posting Media: Journal Entry, ENG Form 3007

(29) Cost of Shore Leave Earned

Dr: 415 Operating Expenses (vessel operation account)
Cr: 345 Accrued Leave

Posting Media: ENG Form 3007 based on report of shore leave earned

2-24. CHART D - LOCAL DISBURSING OFFICER - GENERAL LEDGER ACCOUNTS.

a. Applicability. The accounts reflected in this section have been segregated from other charts of accounts for the express purpose of providing a device whereby the local disbursing officer can more properly perform his dual responsibility to the Corps and to the Department of the Treasury in accounting for the expenditure of the Corps' funds. This arrangement will also assist the Disbursing Officer in preparing the special reports relative to this control of funds required of him by the Corps and the Department of the Treasury. The accounts will be maintained at the District Offices, under the direct supervision of the local disbursing officer who, although he is a Corps employee, is also accountable to the Department of the Treasury for the funds under his control.

b. Chart of General Ledger Accounts - Local Disbursing Officer.

<u>Current and Accrued Assets</u>	
812	Cash on Hand - Cash Disbursements
813	Undeposited Collections
814	Unconfirmed Deposits
815	Cash in Custody of Cashiers
816	Cash in Custody of Travelers
<u>Current and Accrued Liabilities</u>	
844	Total Accountability to Treasury - Month End
844.1	Checks Issued
844.2	Collections
844.6	Gross Disbursements
844.7	Confirmed Deposits

c. Definitions of General Ledger Accounts.

812. Cash on Hand - Cash Disbursements. This account reflects the local disbursing officer's cash on hand retained by him for disbursement to expedite the payment of small invoices. This account will be used only when approved by higher authority as provided in Chapter 9 of this manual.

* 813. Undeposited Collections. The balance in this account reflects the amount of collections effected by the District disbursing officer, from whatever source, which have not yet been deposited to the general account of the Treasurer of the United States.

* 814. Unconfirmed Deposits. The balance in this account reflects the amounts of deposits to the general account of the Treasurer of the United States for which certified deposit forms have not been returned by the depository.

* 815. Cash in Custody of Cashiers. This account reflects the amounts of cash advances by the local disbursing officer to Imprest Fund cashiers for the purpose of expediting the payment of miscellaneous items arising in the field and to Recreational Fee Cashiers for use as change funds. A separate account will be maintained for each cashier.

* 816. Cash in Custody of Travelers. This account reflects the amounts of cash advances by the local disbursing officer to official travelers for accomplishing mission stated in travel orders. This is a control account supported by a file of applications for Travel Advance (DD Form 1351) on which the check number is recorded. The supporting individual accounts will be balanced with the general ledger control account each month. *

844. Total Accountability to Treasurer - Month End. The balance in this account at the end of the month will reflect the net accountability of the disbursing officer to the Treasurer of the United States, and will constitute the net difference between checks issued plus cash and voucher collections received, and gross disbursements plus cash deposited in the account of the Treasurer of the United States.

844.1 Checks Issued. This is a normal credit balance account which will reflect the total amount of checks issued by the disbursing officer. The balance in the account at the end of each month will be closed into account 844, Accountability to Treasurer - Month End.

844.2 Collections. This is a normal credit balance account which will reflect the amount of collections received by the disbursing officer. A separate account will be maintained for each appropriation or fund. The balances in the accounts at the end of each month will be closed into account 844, Accountability to Treasurer - Month End.

844.6 Gross Disbursements. This is a normal debit balance account which will reflect the amount of disbursement vouchers paid by the disbursing officer. A separate account will be maintained for each appropriation or fund. The balances in the accounts at the end of each month will be closed into account 844, Accountability to Treasurer - Month End.

844.7 Confirmed Deposits. This is a normal debit balance account which will reflect the total amount of deposits acknowledged by the depository. The balance in the account at the end of each month will be closed into account 844, Accountability to Treasurer - Month End.

d. Index to Pro-Forma Journal Entries, Chart D, Local Disbursing Officer.

- (1) Cash Collections
- (2) Deposit of Collections to General Account of the Treasurer
- (3) Deposit to Treasurer Confirmed
- (4) Cash Disbursements from (a) General Fund of the Treasurer, and (b) Cash for Cash Disbursement
- (5) Deposit Funds - Earned and Disbursed for their Intended Purpose
- (6) Imprest Funds Covering (a) Establishment, (b) Cancellation, (c) Disbursements, and (d) Replenishment
- (7) Cash in Custody of Travelers Covering (a) Advance to Traveler, (b) Recoupment of Advance by Cash Refund
- (8) "Intra-District" Transfers - Receipts
- (9) "Intra-District" Transfers - Payments
- (10) Transfer Deposit Funds (SF 1081) - Cash Disbursements Register
- (11) Transfer Deposit Funds (SF 1081) - Cash Receipts and Deposits Register
- (12) Check Issued to Obtain Cash for Cash Disbursements
- (13) Closing Entries

e. Pro-Forma Entries, Chart D.

(1) Cash Collections (Including Available Special and Trust Fund Receipts)

*

Dr: 813 Undeposited Collections

Cr: 844.2 Collections

Posting Media: Monthly summary on Journal Entry, ENG Form 3007a, of Cash Receipts and Deposits Register

(2) Deposit of Collections to General Account of the Treasurer

*

Dr: 814 Unconfirmed Deposits

*

Cr: 813 Undeposited Collections

Posting Media: Monthly Summary on Journal Entry, ENG Form 3007a, of Cash Receipts and Deposits Register

(3) Deposit to Treasurer Confirmed

*

Dr: 844.7 Confirmed Deposits

Cr: 814 Unconfirmed Deposits

Posting Media: Monthly Summary on Journal Entry, ENG Form 3007, of Standard Forms 209 certified by depositary

(4) Cash Disbursements from (a) General Account of the Treasurer or (b) Cash for Cash Disbursements. (Includes voucher deductions for withholdings from salaries for retirement, taxes, bonds, etc., and withholdings from contract payments)

Dr: 844.6 Gross Disbursements

Cr: 844.1 Checks Issued

844.2 Collections

812 Cash on Hand - Cash Disbursements

Posting Media: Monthly Summary on Journal Entry, ENG Form 3007a, of Cash Disbursements Register

(5) Deposit Funds - Earned and Disbursed for their Intended Purpose or Returned to Depositor

Dr: 844.6 Gross Disbursements

Cr: 844.1 Checks Issued

Posting Media: Monthly Summary on Journal Entry, ENG Form 3007a, of Cash Disbursement Register

(6) Imprest Funds covering (a) Establishment, (b) Cancellation, (c) Disbursement and (d) Replenishment

(a) Establishment of Imprest Funds

*

Dr: 815 Cash in Custody of Cashiers

Cr: 844.1 Checks Issued

Posting Media: Monthly Summary on Journal Entry, ENG Form 3007a, of Cash Disbursements Register

ER 37-2-10
Change 22
29 Jun 73

(b) Cancellation of Imprest Fund

1 Return of uncashed advance or reimbursement checks of present disbursing officer

* Dr: 813 Undeposited Collections
* Cr: 815 Cash in Custody of Cashiers
Posting Media: Journal Entry, ENG Form 3007a, Monthly Summary Cash Receipts and Deposits Register covering canceled checks.

2 Remittance of cash, money order, or uncashed advance or reimbursement checks of previous disbursing officer

* Dr: 813 Undeposited Collections
* Cr: 815 Cash in Custody of Cashiers
Posting Media: Monthly Summary on Journal Entry, ENG Form 3007a, of Cash Receipts and Deposits Register (Normally included with entry No. (1) preceding).

Note: Uncashed checks of previous disbursing officer may be accepted to reduce the account through indorsement by the payee "Pay to the order of the Treasurer of the United States."

(c) Disbursement from Imprest Funds.

No entry will be made on the Local Disbursing Officer's books for each individual disbursement from Imprest Funds. An informal record is maintained by each cashier for all disbursements made with Imprest Funds, and such disbursements will be supported by properly executed receipts showing pertinent data covering each transaction.

(d) Replenishment of the Imprest Funds

Dr: 844.6 Gross Disbursements
Cr: 844.1 Checks Issued
Posting Media: Monthly Summary on Journal Entry, ENG Form 3007a, of Cash Disbursement Register

Note: (1) This will normally be included in entry No. (4) preceding.

(2) The check will be drawn payable to the cashier charged with Imprest Funds.

* 2-24e(6)(b)

2-80

- * (7) Cash in Custody of Travelers Covering (a) Advance to Traveler, (b) Recoupment of Advance by Voucher Deduction and (c) Recoupment of Advance by Cash Refund

(a) Advance to Traveler

Dr: 816 Cash in Custody of Travelers
Cr: 844.1 Checks Issued
Posting Media: Monthly Summary on Journal Entry,
ENG Form 3007a, of Cash Disbursements Register

(b) Recoupment of Advance if by Voucher Deduction

Dr: 844.6 Gross Disbursements
Cr: 816 Cash in Custody of Travelers
Posting Media: Monthly Summary on Journal Entry,
ENG Form 3007a, covering voucher deductions reflected in Cash Disbursements Register

(c) Recoupment of Advance if by Cash Refund

Dr: 813 Undeposited Collections
Cr: 816 Cash in Custody of Travelers
Posting Media: Monthly Summary Journal Entry,
ENG Form 3007a, of Cash Receipts and Deposits Register

- * (8) "Intra-District" Transfers - Receipts (No Check Transfer)

Dr: 844 Total Accountability - Month End
Cr: 844.2 Collections
Posting Media: Monthly Summary on Journal Entry,
ENG Form 3007a; of Cash Receipts and Deposits Register

Note: Care should be exercised to insure that "intra-district" receipts are posted simultaneously with "intra-district" payments described in Entry No. 9, and that such receipt and payment entries in Accounts 844.2 and 844.6 always balance for each individual month's posting.

* (9) "Intra-District" Transfers - Payments (No Check Transfer)

Dr: 844.6 Gross Disbursements
Cr: 844 Total Accountability - Month End
Posting Media: Monthly Summary on Journal Entry,
ENG Form 3007a, of Cash Disburse-
ments Register

* Note: Note under Entry No. (8) is also ap-
plicable to this entry.

* (10) Transfer Deposit Funds (SF 1081) - Cash Disburse-
ments Register

Dr: 844.6 Gross Disbursements
Cr: 844 Total Accountability - Month End
Posting Media: Monthly Summary on Journal Entry,
ENG Form 3007a, of Cash Disburse-
ments Register, supported by SF
1081's involved.

* Note: Care should be exercised to insure
that these "no check" transfers are
posted simultaneously with the "no
check" transfers described in Entry
No. (11) and that such transfer en-
tries in Accounts 844.2 and 844.5
always balance for each month's post-
ing.

(11) Transfer Deposit Funds (SF 1081) - Cash Receipts
Register

Dr: 844 Total Accountability - Month End
Cr: 844.2 Collections
Posting Media: Monthly Summary on Journal
Entry, ENG Form 3007a, of Cash
Receipts and Deposits Register,
supported by SF 1081's involved.

* Note: Note under Entry No. (10) is also ap-
plicable to this entry.

* (12) Check Issued to Obtain Cash for Cash Disbursements

Dr: 812 Cash on Hand - Cash Disbursements
Cr: 844.1 Checks Issued
Posting Media: Monthly Summary on Journal Entry,
ENG Form 3007a, of Cash Disburse-
ments Register

* (13) Closing Entries

(a) To Close General Ledger Accounts 844.6, Gross Dis-
bursements, and 844.7, Confirmed Deposits

Dr: 844 Total Accountability
Cr: 844.6 Gross Disbursements
844.7 Confirmed Deposits
Posting Media: Journal Entry ENG Form 3007

(b) To Close General Ledger Accounts 844.1, Checks
Issued, and 844.2, Collections

Dr: 844.1 Checks Issued
844.2 Collections
Cr: 844 Total Accountability
Posting Media: Journal Entry, ENG Form 3007

2-25. CHART E - DEPOSIT FUND - GENERAL LEDGER ACCOUNTS

a. Applicability. The accounts in this section reflect the status of funds for which the District Engineer acts as fiscal agent and which ordinarily are not available for the prosecution of work.

b. Chart of General Ledger Accounts - Deposit Funds.

852 Deposit Funds
861 Unapplied Deposits

Memoranda Accounts

870 Civil Service Retirement and Disability Fund

870.1 Retirement and Disability Fund (Dr)

870.2 Retirement Contributions - Standard Form
2806 (Cr)

870.3 Retirement Contributions - Individual
Earnings Record

870.31 Retirement Contributions - Current Year -
Payrolls paid from Civil Funds (Cr)

870.32 Retirement Contributions - Current
Year - Payrolls paid from Military
Funds (Cr)

870.39 Retirement Contributions - Current
Year - Transferred to Standard
Form 2806 (Dr)

c. Definitions of General Ledger Accounts.

852 Deposit Funds. The balance in this account represents the undisbursed balance of the cash available to the District Engineer which has been derived from withholdings and deposits for taxes, savings bonds, bid guarantees, etc.

861 Unapplied Deposits. The balance in this account reflects the amounts of deposits held by the District Engineer pending their application to the purposes for which the deposit was made or their refund to the depositor. A separate account will be maintained for each deposit fund, supported by subsidiary records to identify the depositor.

870 Civil Service Retirement and Disability Fund.

870.1 Retirement and Disability Fund (Dr). This account reflects the cumulative total of retirement deductions made from salaries of Government employees of the Corps and paid to the Civil Service Commission for credit to the Civil Service Retirement and Disability Fund.

870.2 Retirement Contributions - Standard Form 2806 (Cr). This account includes the cumulative total of retirement deductions made from the salaries of Government employees during prior calendar years as reflected by individual retirement records.

870.3 Retirement Contribution - Individual Earnings Record. The accounts under this caption reflect entries (in summary) posted to individual earnings records, and the amounts of such entries transferred to the employees' Standard Form 2806 for retirement contributions of the current year. They are calendar year accounts which offset each other after transfer of retirement deductions from individual earnings records to Standard Form 2806. *In the account headings substitute for the words "current year" the calendar year (e.g. 1959) to which the current year contributions pertain.

870.31 Retirement Contributions - Current Year* -
Payrolls paid from Civil Funds (Cr)

870.32 Retirement Contributions - Current Year* -
Payrolls paid from Military Funds (Cr)

870.39 Retirement Contributions - Current Year* -
Transferred to Standard Form 2806 (Dr)

d. Index to Pro-Forma Journal Entries, Chart E, Deposit Fund Activities.

- (1) Cash Collections
- (2) Collections by Voucher Deduction
- (3) Disbursements
- (4) Transfer Deposit Funds (SF 1080)
- (5) Recording Retirement Deductions of Employees Transferred to or from Military or Civil Works Rolls
- (6) Recording Retirement Deductions from Civil and Military Payrolls during Calendar Year
- (7) Transfer of Retirement Deductions from Individual Earnings Records to Retirement Record Cards at Close of Calendar Year
- (8) Closing Entries

e. Pro-Forma Entries, Chart E

(1) Cash Collections

Dr: 852 Deposit Funds

Cr: 861 Unapplied Deposits (By Fund Symbol)

Posting Media: Monthly Summary on Journal Entry, EMO Form 3007a, of the Cash Receipts and Deposits Register

(2) Collections by Voucher Deduction

Dr: 852 Deposit Funds

Cr: 861 Unapplied Deposits (By Fund Symbol)

Posting Media: Monthly Summary on Journal Entry, EMO Form 3007a, of the Cash Disbursements Register

(3) Disbursements

Dr: 861 Unapplied Deposits (By Fund Symbol)

Cr: 852 Deposit Funds

Posting Media: Monthly Summary on Journal Entry, ENG
Form 3007a, of the Cash Disbursement Register

(4) Transfer Deposit Funds (SF 1081). Transfers to or from Deposit Fund Accounts on SF 1081 will be treated as collections by voucher deduction or disbursements and will be included in entry Nos. (2) or (3) as applicable.

(5) Recording Retirement Deductions of Employees Transferred to or from Military or Civil Work Rolls.

(a) Transfers In

Dr: 870.1 Retirement and Disability Fund (Dr)

Cr: 870.2 Retirement Contributions - Standard Form
2806 (Cr)

Posting Media: Monthly summary on Journal Entry, ENG
Form 3007, prepared by the Payroll Certifying
Officer from Registers of Separations and Transfers,
Standard Form 2807, (or equivalent DA Form 103)
accompanied by Retirement Card, Standard Form 2806.

(b) Transfers Out

1 Current Year Deductions

Dr: 870.39 Retirement Contributions - Transferred to
Standard Form 2806

Cr: 870.2 Retirement Contributions - Standard Form
2806 (Cr)

2 Standard Form 2806 Transfer

Dr: 870.2 Retirement Contributions - Standard Form
2806 (Cr)

Cr: 870.1 Retirement and Disability Fund (Dr)

Posting Media: Monthly summary on Journal Entry, ENG
Form 3007, prepared by Payroll Certifying Officer
from Individual Pay Card, Standard Form 1127 (or
equivalent forms), and Retirement Record
Card, Standard Form 2806, or from DA Form 103.

(6) Recording Retirement Deductions from Civil and Military Payrolls During Calendar Year.

Dr: 870.1 Retirement and Disability Fund (Dr)

Cr: 870.3-Retirement Contributions - Current Year (Cr)
(870.31 or 870.32 as applicable)

Posting Media: Journal Entry, ENG Form 3007, prepared
by Payroll Certifying Officer

(7) Transfer of Retirement Deductions from Individual Earnings
Record to Retirement Record Cards at Close of Calendar Year, or upon
Transfer Out.

Dr: 870.39 Retirement Contributions - Current Year -
Transferred to Standard Form 2806 (Dr)

Cr: 870.2 Retirement Contributions - Standard Form
2806 (Cr)

Posting Media: Journal Entry, ENG Form 3007, prepared
by Payroll Certifying Officer from column (h),
Retirement Control, Form DA 103, which controls the
data on individual pay card, Standard Form 1127 (or
equivalent forms).

(8) To close Retirement Contributions - Current Year Accounts.

Dr: 870.31 Retirement Contributions - Current Year -
Payrolls paid from Civil Funds

870.32 Retirement Contributions - Current Year -
Payrolls paid from Military Funds

Cr: 870.39 Retirement Contributions - Transferred to
Standard Form 2806.

Posting Media: Journal Entry, ENG Form 3007, at end
of calendar year.

1 Apr 69

CHAPTER 3

ACCOUNTS PAYABLE PROCEDURES

<u>TOPIC</u>	<u>PARAGRAPH</u>
Introduction	3-1
a. General Ledger Accounts	
b. Principles and Procedures	
c. Voucher Accounting Distribution	
d. Coding Vouchers	
Use of Bureau Vouchers, ENG Forms 3005 and 3006	3-2
a. Use of Bureau Vouchers for Procurements	
b. Flow of Documents	
c. Estimated Accrual at Close of Accounting Period	
d. Use of Bureau Vouchers (For Cost Transfers), ENG Form 3006	
e. Intra-Appropriation Transfers	
Processing Payments for Materials and Services	3-3
a. Payments Schedule	
b. Voucher Certification	
c. Travel, Travel Advances, and Adjustments for Return of Travel Advances	
d. Advance Payments	
e. Payment for Services (Non-Personal) of Gage Readers, Weather Observers, Sediment Samplers, etc.	
Accrued Expenditure Register	3-4
Miscellaneous Procedures	3-5
a. Accounting for Refunds	
b. Accounting for Adjustments	
c. Refund of Contributed or Advanced Funds	
d. Release of Unused Contributions or Advances in Escrow	
e. Refund of Unexpended Balances - Consolidated Working Funds	
f. Moneys Withheld from Contractors	
Filing and Reconciliation	3-6
a. Paid Vouchers File	
b. Unpaid Vouchers File	
Disbursement Procedures and Records	3-7
a. Retention of Records	
b. Adjustment of Errors in Accounts	
1	3-0

BEST COPY AVAILABLE

ER 37-2-10
1 Apr 69

TOPIC

PARAGRAPH

Disbursement Procedures and Records (Cont'd)

- c. Prompt Payment of Creditors
- d. Discounts
- e. Payments to Government Printing Office
- f. Certificates of Settlement
- g. Settlement of Certain Real Estate Transactions

Intradistrict Transfers

3-8

Cash Disbursements Register

3-9

- a. Register Description
- b. Summary Postings

Use and Accounting for Imprest Funds

3-10

The Comptroller General of the United States

3-11

General Accounting Office

3-12

3-0

11

CHAPTER 3

ACCOUNTS PAYABLE PROCEDURES

3-1. Introduction.

a. General Ledger Accounts. In the preceding chapter of this manual, the accounts prescribed for use by the Corps have been listed and defined; and, in some instances the procedures to be followed in their use have been explained. To the extent that procedures have been incorporated in the explanations to the accounts previously enumerated, they constitute a part of the prescribed procedures.

b. Principles and Procedures. The principles and procedures outlined in this section relate more specifically to the preparation of vouchers, assembling of payrolls, invoices and other related documents into accounts payable files, and to the coding of these documents for posting to the proper accounts. In accomplishing this, it will be necessary to:

(1) Determine that the proper allotments are charged and that the expenditures are for the purpose or object authorized in the allotments.

(2) Determine the General Ledger Account to be charged since expenditures must be classified as either assets or expenses and charged to the appropriate accounts.

(3) Determine the detailed subsidiary account to be charged, related to the General Ledger Account to be charged.

c. Voucher Accounting Distribution. The distribution of expenditures requires a knowledge of the general ledger and cost accounts and the budget or work program for which funds are allotted. It further requires a knowledge of the construction, operations and maintenance practices and procedures, the functional organization and the purposes for which materials and services acquired are used. The distribution to the general ledger accounts is normally based on information available on purchase orders, time reports, and the cost accounts indicated on bureau voucher forms submitted by operating and field offices. The coding of vouchers, etc., is essentially a field or operating job and should be done where the work is performed.

d. Coding Vouchers. To the extent practicable, all expenditures should be coded to the appropriate activity accounts at the time the voucher is prepared, prior to entry in the accrued expenditure register. However, it is realized that certain expenditures cannot be so allocated, such as:

(1) Expenditures for materials and supplies which are placed in

storehouses for future issue, will be charged to warehouse stock accounts. These will be distributed to the appropriate cost accounts on the basis of stores issue reports.

(2) Expenditures made in advance of the receipt of the goods or services which will be charged to Prepayments and Advance account, and subsequently distributed to the appropriate accounts by journal entry based on usage reports.

(3) Certain expenditures which will be accumulated currently in deferred accounts, for later distribution to the appropriate accounts.

3-2. Use of Bureau Vouchers, ENG Forms 3005 and 3006.

a. Use of Bureau Vouchers for Procurements. In order to facilitate the coding and assembly of all documents, a "Bureau Voucher, ENG Form No. 3005" is provided which will accompany each expenditure document, including payroll vouchers. Before posting, all vouchers will be coded to show the allotment account from which financed, as well as the general and subsidiary ledger accounts to which the document will be posted. The bureau voucher is a covering jacket for all expenditures entered in the accrued expenditure registers. A separate ENG Form 3005 will be prepared for each appropriation to be charged. Either typewriter, ink or pencil may be used provided all copies are legible. Bureau vouchers, ENG Form 3005, will normally be prepared, at least as to description of the transaction and the cost account(s) and allotment(s) chargeable, by the organizational unit receiving the goods or services. All bureau vouchers will be prepared in triplicate and forwarded with attached receiving reports to the Finance and Accounting Branch through the Property Accounting Branch for property clearance. In the case of partial payment estimates, the bureau voucher will be prepared in the field to accompany the payment estimate submitted to the Finance and Accounting Branch. In some cases, however, it may be found advantageous to prepare the ENG Form 3005 in the Finance and Accounting Branch from the receiving reports received. In order to minimize the preparation of adjustment bureau vouchers, Eng Forms 3005 will be prepared for transportation requests upon receipt of carrier's invoice. As is elaborated on more fully in Chap. 5, the Finance and Accounting Branch receives, records and maintains files containing obligating documents, receiving reports, invoices, etc. Upon receipt or preparation of a bureau voucher accompanied by a receiving report, the Finance and Accounting Branch will match it with pertinent obligating documents and invoices, if already received, binding them in a jacket, with the bureau voucher serving as the top document. The bureau vouchers will be numbered and entered in the Accrued Expenditure Register for the applicable appropriation. One series of numbers will be maintained for each district for all expenditure bureau vouchers. A new series of numbers will be initiated for each month with

necessary fiscal year and month identification such as: 1-55-8 denoting July, FY 1955, Bureau Voucher No. 8 or 12-55-8 denoting June, FY 1955, Bureau Voucher No. 8. To control the assignment of bureau voucher numbers the Finance and Accounting Branch will prepare a prelisting of numbers for each month on ENG Form 3158, Bureau Voucher or Obligation Document Number Register. Columns for the various appropriations for which registers are maintained are provided on the form for optional use as an index to the registers. As a number is assigned, a check mark placed in the applicable column indicates the register on which the bureau voucher is entered. These lists will be retained and filed by month for later use in checking and auditing.

b. Flow of Documents. In order to maintain a uniform flow of bureau vouchers and to insure that payment processing is not unnecessarily delayed due to the formality of recording the bookkeeping transactions, a consistent policy of preparing the bureau voucher ENG Form 3005 in triplicate will be observed. Distribution will be generally as follows:

(1) The original is the jacket cover for the invoice, receiving report, purchase order and other pertinent documents. After processing as described in para 3-2a preceding, this file is processed for voucher audit and payment, or held in the unpaid vouchers (accounts payable) file pending receipt of all supporting documents and is then processed for voucher audit and payment.

(2) The first carbon is used as the posting medium for entry in the cost account subsidiary ledgers.

(3) The second carbon is used as the posting medium for entry in the allotment and/or other financial account subsidiary ledgers and memorandum records for accumulating data by objective class breakdown.

* c. Accrual Accounting Procedures. The accounts in this system are maintained on an accrual accounting concept, i.e., accounts are debited and credited as applicable when goods and services are received or furnished, without regard to whether an invoice has been rendered or disbursement or collection made, subject however, to the more detailed provisions below. Where the exact amounts of accrued expenditures or revenues are not known on the basis of labor reports, receiving reports or other administratively approved documents, and cannot be feasibly ascertained at the time the accruals should be recorded, the best estimates will be used. However, arbitrary prorations should be avoided for estimating such accruals; reported accruals should be a reasonably sensitive reflection of the transactions and performance which actually occur. The accrual actions are to be recorded through the proper source of entry records to the allotment and general ledgers in addition to the cost ledgers prior to closing the accounts for the month, except for the items under (1)(a)1 below which are not considered to be significant. The following detail criteria will be observed in recording accruals:

ER 37-2-10
Change 36
22 Mar 78

(1) Accrued Expenditures.

(a) Accrued expenditures will be recorded in the accounts for performance (including retained percentages) to the end of each calendar month for the following:

- * 1 Construction contracts (including the interest on unfunded earnings as determined by the contracting officer to be the amount that would have been paid except for the exhaustion of funds), major supply contracts (e.g., turbines, generators, transformers, fabricated steel), equipment rental contracts, reimbursable orders placed on other Federal activities including other Corps of Engineers offices, and other items not specifically covered below (subpara (d)). *

2 Intra-district activities, as described in para 5-19a(1).

(b) Payroll earnings and benefits.

(c) Accrued expenditures will be the same amount as obligations incurred for the following where initially financed by project funds:

1 Temporary duty travel and transportation of things.

2 Public utility services.

3 Real estate leases. If such leases contain termination clauses, the termination amount will be accrued in the month when termination occurs if such costs represent a penalty and not additional usage beyond the current monthly period.

Accruals for these items, except temporary duty travel, in the revolving fund should be recorded on the basis of the same timing as obligations are recorded in project funds. Accruals of temporary duty travel orders that cite the revolving fund will be recorded on the basis of the audited claim and not upon issue of the travel order.

- (d) Significance, as referred to above, relates only to end-of-the-month transactions for items included in (1)(a)1, above, not yet covered by receiving reports, contract payment estimates, etc. Significance, as determined by the District Engineer, will be based on the impact of the omissions at the account level needed for financial management, performance evaluation, and future planning. Under this rule, for months other than September, insignificant items need not be accrued. As of 30 September of each year, however, estimated accruals will be entered regardless of amounts for construction (including the interest, as applicable, on the unfunded earnings of continuing construction contracts), major supply and equipment rental contracts. *

ER 37-2-10
Change 3
17 June 69

* (2) Accrued revenues.

(a) Revenues accrued will be recorded to the end of each calendar month on the basis of performance of reimbursable work and services for others including other Corps of Engineers activities, warehouse issues, sales of maps, etc. Collections received prior to performance will be accounted for as advances received except as provided below.

(b) Revenues from real estate grants will be accrued in the amounts of the periodic payments due when the collections are received or bills issued depending on which occurs first. *

3-2c(2)

3b

d. Use of Bureau Voucher (For Cost Transfers), ENG Form 3006. Instructions covering the preparation, use, and distribution of these bureau vouchers are contained in Chapter 6.

e. Intra-Appropriation Transfers. Bureau Vouchers, ENG Form 3006, and ENG Form 3006a, will be prepared when transfers between projects within a single appropriation are effected. In cases where it is necessary for accounts payable to cut across more than one appropriation, a separate bureau voucher, ENG Form 3006 will be prepared for each appropriation charged, and cross referenced to the ENG Form 3006a. This procedure provides for a complete accounting classification of expenditures for allotment ledger, general ledger, and subsidiary accounts.

3-3. Processing Payments for Materials and Services.

a. Payments Schedule

(1) The Standard Forms prescribed in 7 GAO 5040 are:

- SF 1166 - Voucher and Schedule of Payments (Original)
- SF 1166a- Voucher and Schedule of Payments (Memorandum copy)
- SF 1167 - Voucher and Schedule of Payments - Continuation Sheet (Original)
- SF 1167a- Voucher and Schedule of Payments - Continuation Sheet (Memorandum copy)

The voucher and Schedule of Payments is prepared to list a number of payments to different creditors under varying conditions, in lieu of preparing a separate voucher for each such payment. Each bureau voucher assembly will be listed on the schedule which will be prepared in an original and at least one memorandum copy. The copy will be retained in a "suspense" file and will have attached to it the original bureau vouchers (ENG Forms 3005) and other supporting data. After certification, the original SF 1166 will be forwarded to the Disbursing Officer for issuance of checks and then

* returned for file and action required by para 3-6b. Any administrative determinations, statements of fact, authorities, etc., required by pertinent regulations or contract terms relative to legality of payment or special conditions that must be met prior to payment will be evidenced in the bureau voucher assembly. In order to prevent possible duplicate scheduling and payment, each bureau voucher and attached documents will be punched or stamped "Paid" at the time the voucher schedule is certified for payment.

(2) Contractor's payment estimates under construction contracts will be signed by the contractor and will constitute a claim. Payment estimates, for other than final payments, will not be itemized in detail on ENG Form 93a for each item of the contract. The contract details--original contract amount, supplemental agreements, change orders, revisions in quantities, etc., will be summarized on ENG Form 93. The amounts reflected on the summary will be supported by records of the Contracting Officer or Contracting Officer's Representative (COR) which provide complete listings of quantities, unit costs, contract amounts and related contractor's earnings. Final payments will be summarized on ENG Form 93 supported by a complete contract itemized breakdown on ENG Form 93a (ER 1-1-11, App A-67).

(3) Transportation bills (SF 1113 and SF 1171) will be assigned a separate series of bureau voucher numbers, prefixed by the letter "T", running serially by fiscal year. This number will be listed on SF 1166 in lieu of Bureau Voucher Number assigned to ENG Forms 3005 covering individual transportation requests and bills of lading. The Bureau Voucher Number assigned to individual T/R and B/L will be reflected on the applicable SF 1113 or 1171 for accounting purposes. SF 1113 and SF 1171 will not be scheduled on SF 1166 with other types of transactions.

*

3-5

3-3a

* (4) When the authority for refunding deposits held in the Corps of Engineers Suspense Account (96X6875) is contained in a memorandum from an operating official or other existing document which describes and authorizes the transaction (or which may be so perfected by the addition of certificates, signatures, account numbers or other data requisite to payment), it will be assigned a number in the regular bureau voucher series and scheduled on SF 1166. Otherwise, the refund of a deposit will be supported by a properly certified SF 1049, Voucher for Refunds.

(5) The bureau voucher number and any other information that may be necessary to meet specific requirements will be shown on each invoice.

b. Voucher Certification. Except for vouchers for contract field printing and long distance telephone calls, basic vouchers or invoices will not be certified individually by the Certifying Officer when they are listed on a properly certified Schedule of Payments, Standard Form 1166. Only the certification on the Standard Form 1166 is necessary. It implies that the certificates required in special situations have been complied with through the signature on the Standard Form 1166. In connection with payrolls, the payroll certifying officer will sign the Standard Form 1166. Where fiscal officers are required to certify to the availability of funds, such certification may also be added to the Standard Form 1166. Basic vouchers for contract field printing and long distance telephone calls will be certified prior to payment as provided in 7 GAO 25.9 and 25.3, respectively.

c. Travel. Travel Advances and Adjustment for Return of Travel Advances.

(1) Regulations relating to official travel and preparation of travel vouchers are set forth in JTR, Vol 1 and Vol 2, and ER 55-1-2.

(2) A bureau voucher, ENG Form 3005, covering one or more travel vouchers, DD Forms 1351 and 1351-2, certified by the traveler will be processed and listed on a Schedule of Payments, SF 1166. (7 GAO 5040).

(a) If the traveler is assigned to the District Office, the ENG Form 3005 will show an initial charge to the applicable overhead element of the District Office, and as memorandum data, the project ultimately to be charged, if any. Periodically, these ENG Forms 3005 will be summarized by appropriation to be charged on ENG Form 3006. ENG Form 3006a will be used to record sales of the revolving fund and accounts receivable from projects. ENG Form 3006 will reflect the charge against the project as accounts payable of the project, and the breakdown of the project accounts to be charged.

(b) If the ultimate charge is to a military project, an ENG Form 3007 will be prepared from summaries of applicable ENG Forms 3005, to credit sales and to charge work in progress under the Revolving Fund, identifying the military project to be charged in the work in progress accounts. (At the same time a separate ENG Form 3005 will be

prepared for posting to the appropriate military accounts.) Monthly, or more frequently if necessary, a Standard Form 1080 covering these charges will be prepared and processed through the military accounts, clearing out the Work In Progress account balances. (Posting media is ENG Form 3006a.)

- * (3) Travel advances will be made and processed as prescribed utilizing the Disbursing Officer's Chart D accounts for recording thereof. Pro-forma entries in paragraph 2-24e show the accounts that will be used. A DD Form 1351 will be executed by the employee when requesting an advance for official travel or the authorized movement of household goods. Travel orders for jobsite travel (travel charged directly to Civil projects) will be recorded in the Accrued Expenditure Register from ENG Form 3005 and will be in the same amount as the obligations incurred (para 3-2c(1)(c)). The approved DD Form 1351 will be annotated with the same number as this ENG Form 3005 for identification and control purposes. The DD Form 1351 will be listed on Standard Form 1166 in the same manner as for other payments as described in 7 GAO 5040. One (1) copy of DD Form 1351 will be filed apart from the Bureau Voucher and along with other travelers' copies of DD Form 1351 will reflect the status of the individual advances in support of Chart D, General Ledger Account 816, "Cash in Custody of Travelers." The sum of outstanding DD Forms 1351 on file will be balanced with General Ledger Account 816 each month prior to the preparation of SF 1219, "Statement of Accountability." Repayments will be annotated on the separate file copy of DD Form 1351 which will be filed with the related Bureau Voucher (ENG Form 3005) when the advance is completely repaid. Travel advances to civilian employees of the Corps of Engineers who have been issued permanent change of station orders chargeable to civil funds, which are made by the transferring installation or activity will be charged to 96X4902 Revolving Fund, Corps of Engineers, Civil. The amount of the advance will be billed to the transferee office on Standard Form 1080 supported by a copy of the DD Form 1351 on which the advance was approved and paid. Timely payment will be made by the office billed without reference to the status of repayment by the traveler. Thereafter, the amount of the advance will be accounted for by the transferee office in accordance with the procedure explained above. Upon submission of actual travel expense statement involving advances *

ER 37-2-10
Change 22
29 Jun 73

- * made to job site employees, DD Form 1351-2 will be completed as described in pertinent travel regulations with deduction made for the amount of advances outstanding. The DD Form 1351-2 will be the basis for adjustment of ENG Form 3005 amount of travel accrued to actual expense, and recoupment of the travel advance. SF 1166 will be used to record in the Cash Disbursements register additional amounts paid to the traveler. Where the advance made is greater than the expenses incurred, the amount owed by the traveler will be billed and the bill number recorded in the Accounts Receivable register with notation "Refund of Travel Advance," simultaneously adjusting the travel accrued to actual expense. For travel citing Revolving Fund appropriation, accrual of costs will be recorded on the basis of the audited claim, DD Form 1351-2. When collection of the advance is received, account 816 "Cash in Custody of Travelers," will be credited.

(4) Travel advances approved to be on a continuing basis to cover frequent trips are not required to be liquidated against the monthly travel voucher. However, the continuing need will be verified and recorded or collection initiated whenever two calendar months pass after date of payment of the last DD Form 1351, without receipt of a travel voucher DD Form 1351-2. Recoupment will be made whenever the duty to which the traveler is assigned no longer requires the advance for frequent or extended duty trips.

d. Advance Payments.

(1) No advance of public money will be made except as provided by law (31 U. S. C. 529).

(2) Advance payments are authorized for:

(a) Authorized subscriptions to newspapers, magazines, or other publications (31 U. S. C. 530).

(b) Tuition (31 U. S. C. 529i).

(c) Flood control work, payment to cooperating public agencies for services (33 U. S. C. 701b-2). However, guidance in connection with then-current Treasury Department requirements should be requested of the Chief of Engineers, ATTN: DAEN-ECF-A prior to making such advances.

(d) Quarterly or annual post office box rental.

(e) Where repeated travel between places but a short distance apart is involved, and a substantial savings or convenience to the Government will result, the purchase of mileage books, street car or ferry tickets and annual permits for toll roads and toll bridge tickets is authorized, provided necessary safeguards are established to insure their use for official purposes only.

(3) Concerning the prohibition of 31 U.S.C. 529, the Comptroller General, having regard for the established responsibility of State and local governments and since danger of loss is minimized when a State or agency thereof is the contractor, has authorized advance payments to State and local government under certain circumstances (25 Comp. Gen. 834 and 39 Comp. Gen. 285). Where advance payments under this authority will exceed \$1,000 guidance as provided for in d(2)(c) above will be requested.

a. Payment for services (non-personal) of gage readers, weather observers, sediment samplers, etc. will be scheduled on SF 1166. Regardless of the type of procurement i.e., contract or purchase order, payment need not be supported by invoice provided a certificate by the responsible official is placed on SF 1166 to the effect that the services were received as evidenced by the reports or records of stream gaging, weather observance, etc., on file.

3-4. Accrued Expenditure Register (ENG Form 3004 and ENG Form 4011).

a. These forms will be used as the book of original entry for all expenditures made, whether from General, Special and Trust Funds or from the Revolving Fund. Individual vouchers related to these funds will be entered in this register currently. Through this register values of goods, services and property received are recorded and the liabilities are taken into the accounts. The information accumulated will provide summary postings to the general ledger. For the purpose of control, the Accrued Expenditure Register will be maintained by appropriation. ENG Form 3004 will be used for manual posting and ENG Form 4011 will be used for posting on accounting machines.

b. The use of the columns on the ENG Form 3004 is explained as follows:

- Column (a) - Bureau voucher date of each entry
- Column (b) - Bureau voucher number
- Column (c) - Particulars necessary to explain the transaction
- Column (d) - Month and year payment is made
- Column (e) - Amount of the liability due creditors
- Columns (f) and (g) - Credits to accounts other than Accounts Payable. The code number of the general ledger account affected will be entered in Column (f) and the amount in Column (g).

Columns (h) thru (n) - Amounts applicable to specific accounts to be charged for the services or commodities received and resulting in the liability being recorded. Account designation will be inserted in blank column headings (overprinting or rubber stamps may be used) to meet the needs of individual offices.

Columns (o) & (p) - These columns on the debit side will be utilized in the same manner as Columns (f) and (g) on the credit side.

This procedure requires that the amount of the liability and other credits be entered on the credit side of the register in Columns (e) and (g) to record the net liability, and distributed on the debit side in Columns (h) thru (p) to charge the appropriate accounts for the service or commodity acquired, thus making the registers self-balancing.

c. ENG Form 4011 has been designed for use in posting on accounting machines and differs from ENG Form 3004 in the following respects:

- (1) A "Proof" column has been provided on the extreme left of the form.
- (2) An "Object Class" column has been provided for optional use
- (3) Three columns under "Accounts to be Debited" have been eliminated

Except for the variations noted above, the columns on this form will be used in the same manner as on ENG Form 3004.

d. At the end of each accounting period the registers will be totalled and posted by Journal Entry, ENG Form 3007a to the appropriate General Ledger accounts. The total of these postings to the applicable control accounts will equal the total of the postings to the related subsidiary accounts as made from the individual documents. The Accrued Expenditure Register may be coded so far as object classification is concerned and the recapitulation thereof made periodically (monthly, semi-annually or annually).

3-4. Miscellaneous Procedures

a. Accounting for Refunds. Refunds to appropriations will be recorded in the Accounts Receivable Register in columns especially provided. (See Chapter 4). Through this entry in Accounts Receivable Register, the appropriate asset or expense account originally charged will be credited. It will be noted that (for other than the Revolving Fund, for which no allotment accounts are maintained) the total of the Accrued Expenditure Register less the appropriate refund column on the Accounts Receivable

ER 37-2-10
Change 42
21 Dec 79

Register will equal expenditures net of refunds as reflected on the allotment ledgers.

b. Accounting for Adjustments. When the amount of a disbursement differs from the related amount originally recorded as an accrued expenditure, appropriate adjustments will be made in the Accrued Expenditure Register and the applicable allotment ledger. Bureau Voucher ENG Form 3005, will be used for this purpose. At the time the original Bureau Vouchers are listed on SF 1166 for payment and prior to routing the SF 1166 to the Disbursing Officer the Finance Accounting Section will compute the necessary adjustment between the original amount and the amount to be paid. The adjustment will be detailed on each original Bureau Voucher and the total adjustments periodically (daily, weekly or monthly as necessary) will be summarized on the Bureau Voucher prepared for the adjustment. The Bureau Voucher adjustment will be numbered and cross referenced to each original Bureau Voucher it is adjusting. The adjustment Bureau Voucher will be entered in the pertinent Accrued Expenditure Register and routed in the normal manner for posting. After payment the Finance Accounting Section will insert the necessary cross references to the disbursing officer's voucher number on the adjustment Bureau Voucher and file it with the paid vouchers, by Bureau Voucher number.

* c. Refund of Contributed or Advanced Funds. Authority to release (refund) excess contributed funds has been delegated to Division and District Engineers in Appendix A of ER 1140-2-301, dated 15 Aug 75. *

* (1) (Rescinded)

* (2) (Rescinded)

* (3) (Rescinded)

* d. (Rescinded)

e. Refund of Unexpended Balances - Consolidated Working Funds. Upon completion of the work for which a consolidated working fund allotment was received, and settlement of all transactions connected therewith, any unexpended balance will be reported to the Chief of Engineers, ATTN: DAEN-RMB for revocation. A revocation document and an SF 1080 bill in the amount of the revocation will be transmitted by the Chief of Engineers to the applicable District Engineer for action as follows:

(1) The revocation document will be posted direct to the general ledger in the usual manner for revocation of allotments. Appropriate entry will also be made in the applicable allotment ledger (and commitment ledger, when used).

(2) The SF 1080 will be used as the basis for drawing a check in the amount being revoked (refunded), and transmitting the check, with a copy of SF 1080, to the Chief of Engineers, ATTN DAEN-RMF. The disbursement voucher will be recorded in the Cash Disbursements Register as a debit to account 844.6 and a credit to account 844.1. The disbursement voucher will not affect the Chart B accounts.

(3) The disbursement will be reported on SF 1220, Statement of Transactions According to Appropriations, Funds and Receipt Accounts, and will be appropriately identified by footnote thereon.

f. (Rescinded)

ER 37-2-10
Change 33
27 Apr 77

3-6. Filing and Reconciliation

a. Unpaid Bureau Vouchers (Accounts Payable) Files.

(1) The Finance Accounting Section copies of bureau vouchers will be held in a numeric suspense file (accounts payable file) until notification of payment is received from the Disbursing Section on the SF 1166.

(2) The original bureau voucher and attached supporting documents will be furnished to the Examination Section to be held for invoices or scheduled for payment as described in paragraph 5-19k(8).

(3) With respect to monthly verification of unpaid items, the open accounts payable will be listed by appropriation as of the end of each month including reference to the bureau voucher number. Such listing may be prepared by use of adding machine tape or other informal record.

(4) At the end of each fiscal year a listing of unpaid bureau vouchers, by appropriation, will be prepared in duplicate. Districts required to submit separate ENG Forms 3011b (Par 20-1c(2)), or the trial balance prescribed by paragraph 20-4, will recapitulate the listing below appropriation level as necessary. The listing will be distributed as follows:

(a) Original attached to the Accrued
* Expenditure Register sheet for Oct of the new fiscal year.

(b) One copy attached to the Accrued
* Expenditure Register sheet for Sept of the closing fiscal year.

b. Paid Vouchers File. After payment by the Disbursing Officer, a copy of the SF 1166 Schedule of Payments with the original supporting documents will be returned to the Finance Accounting Section for insertion of the Disbursing Officer's voucher number on the bureau voucher and notation of payment on the Accrued Expenditure

* 3-6

3-14

* Register and on the previously retained obligating document copies. The original bureau voucher with supporting documents will be forwarded to the Examination Section for recording payments to vendors and filing by bureau voucher number pending audit by the General Accounting Office. To record transactions with vendors, copies of the obligating documents may be filed alphabetically or a vendor card file may be maintained. If a vendor card file is used, either ENG Form 3163, Individual Accounts Payable Record, or DA Form 14-1, Bills Register, will be maintained to the extent of recording desired information.

c. As Bureau Vouchers of prior fiscal years are paid, payment data will be inserted only on the original listing of the SF 1166 without recourse to the Accrued Expenditure Registers of prior fiscal years.

3-7. Disbursement Procedures and Records.

a. Retention of Records.

(1) Effective 1 July 1953, all vouchers, contracts, schedules, accounts current, and other related and supporting documents will be retained by the accounting office where the related books and records are kept. With the exception of the basic vouchers covering transportation services and supporting documents, all records of financial transactions relating to fiscal year for which the audit has not been completed, and records relating to the latest fiscal year

ER 37-2-10
Change 21
19 Mar 73

for which the audit has been completed, will be retained for use in connection with any current audit and until the records have served all administrative requirements.

(2) Retention and disposition of Finance and Fiscal files will be in accordance with AR 340-18-3.

(3) Each month after the disbursing officer's Statement of Accountability has been reconciled and submitted to the Chief of Engineers, basic documents covering payments to carriers for transportation services, supported by accomplishment copies of related voucher schedules (excluding original ENG Form 3005) will be forwarded promptly to the Operations Branch, Transportation Division, U.S. General Accounting Office, Washington 25, D.C. See paragraph 21-2. (5 GAO 4060, 7 GAO 28.9, and 8 GAO 13.5). Copies of SF No. 1186 will not be forwarded to OCE. To facilitate the handling of accounts, the shipping cartons used for the transmission should not exceed 15" long, 12" wide and 10" deep as specified in Federal Stock Number 8115-290-3379. The original copies of all transportation voucher schedules will be retained in support of the Statement of Accountability. Duplicate copies of all transportation voucher schedules and supporting basic documents transmitted to the General Accounting Office should be retained with original ENG Forms 3005 for use in connection with the current audit. When notifications are required under the provisions of 5 GAO 4060.40, they will be made directly by the District Engineer concerned.

b. Adjustment of Errors in Accounts. The provisions of 7 GAO 4400, prescribing the use of Standard Form No. 1097, will be followed to adjust errors in disbursing officers' receipt and appropriation accounts.

c. Prompt Payment of Creditors. Disbursing officers are urged to make prompt payment of all public liabilities. In all cases, invoices which are properly payable should be paid within 30 days after receipt. When advantageous, form letters meeting local requirements will be used in following up on non-receipt of invoices from vendors.

d. Discounts. (1) When cash discount has been offered for prompt payment, every effort should be made to process the invoice within the discount period and in accordance with the specific terms upon which the discount has been offered by the contractor or supplier. When the amount of discount offered does not justify special handling the invoice may be processed with nondiscount invoices, and discount deducted only if paid within the discount period.

* (2) Generally, the discount period is considered to begin from the date of delivery or the receipt of the correct invoice in the office specified by the Government, whichever is later.

(3) Unless otherwise specified in the contract, the date of payment for time discount purposes is the date on which the Government check is mailed. The date of mailing check should be a matter of record. *

(4) The time discount provided in the contract will be computed on the gross earnings before deduction for retained percentage, liquidated damages, etc.

(5) Accounts which, through no fault of the contractor, cannot be paid within the discount period will be paid in the full amount.

(6) A record of lost discounts of one dollar or more will be maintained reflecting the amounts, voucher references and circumstances.

(7) All offers of discounts appearing on vendors invoices will be considered as authorizing the deduction of discount if earned. If the discount terms of the contract or purchase order are not in agreement with the discount offered on the vendors invoice, the one offering the discount most advantageous to the Government will be taken.

(8) If there is any question as to the right to deduct the discount, the disbursing officer will make the deduction, and the payee may accept payment under protest and file claim in the General Accounting Office for refund of the amount deducted.

e. Payments to Government Printing Office. The following procedure will be observed in connection with requests for printing and binding work to be done by the Government Printing Office which are processed through OCE. Upon receipt of finished work from the Government Printing Office chargeable to civil functions appropriations, a Receiving Report (ENG Form 3051) will be prepared and forwarded without delay to the District Engineer, Baltimore District, Baltimore, Md., ATTN: Finance and Accounting Office, where payment will be made for such work.

f. Certificates of Settlement.

(1) Certificates of Settlement issued by the General Accounting

1 Apr 69

Office chargeable to funds under the supervision of the Chief of Engineers will be forwarded to the Chief of Engineers for transmittal to the disbursing officer of the district concerned for payment. Upon receipt by the District Engineer, prompt payment will be made. The Chief of Engineers will be advised if for any reason payment cannot be effected within 48 hours from date of receipt of the Certificate of Settlement.

(2) When a Certificate of Settlement is chargeable to an appropriation in an amount that is not all due one claimant, two or more checks will be drawn, one to each claimant. If any part of the settlement is for deposit to an appropriation or general fund receipt account, as set forth in the Certificate of Settlement, a check for the amount thereof will be drawn payable to the Treasurer of the United States, and disposed of by forwarding the check to the proper disbursing officer or depositing it to the credit of the Treasurer of the United States.

g. Settlement of Certain Real Estate Transactions. Vouchers covering payments in connection with real estate transactions which are settled locally need not be supported by copies of documents which are in the central files of the district office provided the following requirements are complied with:

(1) The central files will not be retired until after receipt of notice of completion of audit from GAO.

(2) The supporting documents should accompany the payment voucher to the Finance and Accounting Officer and be returned to the central file after payment.

(3) The payment voucher should contain reference to the file containing the supporting document.

3-8. Intra-District Transfers. See procedure described in Accounts Receivable procedures in Chapter 4. ENG Forms 3006 will be treated in the same manner as provided for ENG Form 3005.

3-9. Cash Disbursements Register

a. Register Description. The Cash Disbursements Register, ENG Form 3001 is designed to serve as a book of original entry which permits daily totaling of disbursements made and a medium for summary as well as detailed posting to the general ledgers. General Ledgers will be posted monthly except that during critical periods, journalizing and posting may be accomplished more frequently at the discretion of the District Engineer.

- Column (a)-Date
Column (b)-Reference
Column (c)-Particulars
Columns (d), (e), (f), (g), (h), and (i) - Record all charges made to accounts payable as they apply to respective appropriations.
Columns (j), (k), (l) and (m) - Record account numbers and amounts (debits and credits) for miscellaneous entries to accounts for which special columns are not designated.
Column (n) - Checks issued (net cash disbursements) by the local disbursing officer.
Column (o) - No check transfers. Offsetting entries are made in the appropriate columns on the debit side of the register. The transaction is also entered in the "No check transfer" column of the Cash Receipts and Deposits Register. At the end of any day the total of Column (o) of the Cash Disbursements Register and Column (g) of the Cash Receipts and Deposits Register should agree.
Columns (p), (q), (r), (t) and (u) - Salary deductions made for retirement fund, federal income tax, purchase of bonds, Government Life Insurance, and state or territorial income tax.

Column (s) Deductions made from contractor's earnings and as a guarantee of satisfactory performance.

b. Summary Postings. The register will be totaled monthly (or as required) and posted by journal entry ENG Form 3007a to the General Ledger Accounts.

Accounts to be Debited

- Column (d) Appropriated Funds - 96X4902 Revolving Fund - General Ledger Accounts 341 and 844.6.
Columns (e) thru (i)-Appropriated Funds - Specific Appropriation - General Ledger Accounts 141 and 844.6 for the appropriation named in the column heading.
Column (k)-Miscellaneous entries to General Ledger Accounts as indicated in columns (j) and (l)
Columns (p) thru (u)-Deposit Fund Voucher deductions - General Ledger Account 852.

Accounts to be Credited

- Column (d) Appropriated Funds - 96X4902 Revolving Fund - General Ledger Account 310

ER 3/-2-10
Change 8
15 June 70

Columns (e) thru (i) - Appropriated Funds -Specific Appropriation -
General Ledger Account 110
Column (n) Miscellaneous entries to General Ledger Accounts as in-
dicated in columns (j) and (l)
Column (n) Checks Issued - General Ledger Account 844.1
Column (o) No Check Transfer - General Ledger Account 844.-
Column (p) thru (u) - Deposit Fund Voucher Deduction - General
Ledger Accounts 844.2 and 861 for the Deposit Fund
Symbol named in the column heading

3-10. Use and Accounting for Imprest Funds. The provisions of ASPR and
AR 37-103-1 will be followed in the establishment and use of imprest
funds for small purchases for civil activities, excepting paras 10, 13f
and g of AR 37-103-1 which are not applicable to civil activities. *
Supplemental provisions in accounting for reimbursements, travel advances
and expenses are provided below.

a. The Standard Form 1129 Reimbursement Voucher will be covered by
ENG Form 3005 Bureau Voucher (Procurements) to process charges for purchases
made from Imprest Fund cash to the cost, general, and allotment accounting
records.

* b. Travel expenses for temporary duty travel chargeable to Civil Funds may be paid from Civil imprest funds when the total of expenses covered by the voucher does not exceed \$150.00 or \$300.00 under emergency conditions as locally determined. A liberal interpretation is intended as to conditions constituting an emergency allowing the higher limit.

c. Application for travel advances, DD Form 1351, not in excess of \$150.00 or \$300.00 under emergency conditions as locally determined may be processed. Where advance is obtained by DD * Form 1351, reference thereto showing amount of the advance will be annotated on the supporting copy of travel order for filing with DO paid copy of SF 1129.

3-11. The Comptroller General of the United States.

a. The authority of the Comptroller General to decide any questions involving a payment to be made by any agency and to investigate all matters relating to the receipt, disbursement and application of public funds, and to make regular and special reports is contained in the Budget and Accounting Act, 1921, 42 Stat. 20, 31 U.S.C. 41 and seq. It also made final and conclusive on the executive branch the decision of the Comptroller General and the balances certified by the General Accounting Office in the settlement of public accounts.

b. A disallowance by the General Accounting Office may be removed by the Comptroller General only.

c. Disbursing officers or the head of any executive department may apply for and the Comptroller General will render his decision upon any question involving a payment to be made by them or under them, which decision, when rendered, will govern the General Accounting Office in passing upon the account containing said disbursement (See Sec 8, Act 31 July 1894, 28 Stat 208; 31 U.S.C. 74; M. L. 1949, Sec 1653).

d. The Comptroller General will not render decision to disbursing officers upon questions of law pertaining to payments which have been made.

e. Applications to the Comptroller General by any disbursing officer for a decision as to the legal authority for paying any voucher of which there are reasonable doubts as to the propriety of payment and

1 Apr 69

in advance of which payment he desires authoritative instructions, will be accompanied by an approved voucher covering the payment proposed, and by copies of contracts if unnumbered, or other papers upon the construction of which the questions submitted depends, and will contain the affirmative statement of the officer making same that he is a disbursing officer and that the voucher submitted has been presented to him for payment. Such applications for advance decision will be submitted over the signature of the disbursing officer, as the law authorizes only disbursing officers and the heads of departments to obtain such decisions. All papers submitted to the Comptroller General to establish facts in connection with a request for an advance decision will be retained by the Comptroller General in the absence of a request for the return of the papers, substituting therefor, for the files of the Comptroller General, a separate communication embodying all of the facts.

f. Any person whose accounts may have been settled by the General Accounting Office, or the head of the department, may request a review of the said account by the Comptroller General of the United States, whose decision upon such review will be final and conclusive upon the executive branch of the Government (See Sec. 8, Act 31 July 1894 (28 Stat. 207; 31 U.S.C. 74; M.L. 1949, Sec. 1656); Sec. 304, Act 10 June 1921 (42 Stat. 24; 31 U.S.C. 44; M.L. 1949, Sec. 1646) and 1 Comp. Gen. 775).

g. If an officer refunds an amount disallowed, he may then make a claim on the General Accounting Office, and if payment is refused, he has a right to apply to the Comptroller General for a review of the General Accounting Office's adverse action, provided application is made within a year of such action.

h. Requests by disbursing officers for an advance decision should be in letter form signed by the disbursing officer, addressed to the Honorable Comptroller General of the United States, accompanied by the certified voucher in quadruplicate covering the payment proposed, citing the appropriation properly chargeable, supported by all documentation necessary to the decision. The affirmative statement of the disbursing officer that he is a disbursing officer and that the voucher has been presented to him for payment is required. Submission should be as an inclosure to letter addressed through channels to the Chief of Engineers ATTN: ENGECE-FA, who will supplement the case if deemed necessary.

3-12. General Accounting Office.

a. The General Accounting Office was created by the Budget and Ac-

counting Act, 1921, 42 Stat. 20, 31 U.S.C. 41 and seq. and under the direction of the Comptroller General of the United States is charged with the examination of all accounts of salaries and incidental expenses of the Office of the Secretary of the Army and all bureaus and offices under his direction, all accounts relating to fortifications, rivers and harbors, and to all other business within the jurisdiction of the Department of the Army.

b. The accounting functions of the Corps of Engineers are subject to site audit by the General Accounting Office under regulations prescribed by that office. The auditors will be rendered necessary assistance in the conduct of the audit. Findings brought to the attention of the District Engineer will be given prompt attention toward correction of errors.

c. Correspondence received direct from the General Accounting Office for information concerning vouchers covering final payments under contracts required by that office in certifying "date of final settlement" of contracts under the Miller Act, 24 August 1935, 49 Stat. 794, will be extended prompt attention, including follow-up correspondence in clarification of any phase of the contract work as may be found necessary. In any case where all of the information called for cannot be furnished for any reason, an interim reply will be made immediately to the General Accounting Office, including such information as then available, with advice as to the approximate date when a complete reply can be furnished.

d. The matter of whether a case involving doubt as to propriety of payment requires settlement by the Claims Division of the General Accounting Office or advance decision of the Comptroller General of the United States is for determination generally on the principles herein given. Existing law authorizes a disbursing officer to request an advance decision whenever he has a doubt as to the legality of a proposed payment on a voucher presented to him. The law also provides for settlement of claims by the General Accounting Office. The Comptroller General has ruled that settlements by the General Accounting Office properly include cases which involve question of fact or completeness of evidence rather than of law. The distinction is close. It is important to note that grounds upon which settlements are made by the General Accounting Office may be applied generally only to the particular cases involved; that they are not published; and that same

1 Apr 69

are subject to appeal to the Comptroller General. On the contrary, advance decisions by the Comptroller General establish rules and principles which are published for the general information of all concerned. These decisions are for use as precedents in similar cases and are final upon all Federal Agencies. Therefore, where a case involves no question of legality or general principle requiring an advance decision and the cause of doubt consists primarily of incompleteness of facts or evidence pertinent alone to the particular case involved or where a case is clearly not allowable under existing law or decisions in the opinion of the disbursing officer but the claimant insists on submission, such cases are generally for settlement by the Claims Division of the General Accounting Office. Claims for settlement or advance decision must be submitted through channels. This is intended to assist field services in procedures and not to be conclusive as to all cases.

Chapter 4

BILLING AND COLLECTION PROCEDURES

<u>TOPIC</u>	<u>PARAGRAPH</u>
General Instructions	4-1
a. Purpose	
b. Policy	
c. Collection of Amounts Due the United States	
d. Disposition of Receipts - General Authorities	
Billing Procedures	4-2
a. General	
b. Billing Forms to be Used	
c. Origination of Bills Receivable	
d. Preparation of Bills Receivable	
e. Preparation of ENG Form 3006a - Bureau Voucher (For Cost Transfers)	
f. Categorization of Receivables	
g. Objective Classification	
Processing of Accounts Receivable	4-3
Accounts Receivable Register (ENG Forms 3003 and 4010)	4-4
a. Accounts Receivable Register, ENG Form 3003	
b. Description of ENG Form 3003	
c. Accounts Receivable Register, ENG Form 4010	
d. Monthly Closing	
e. Cancellation or Correction of Entries	
Filing and Reconciliation	4-5
a. Collected Bills	
b. Uncollected Bills	
Collection Procedures	4-6
a. General	
b. Receipt of Collections	
c. Deposit of Collections	
Intra-District Transfers	4-7
Cash Receipts and Deposits Register (ENG Form 3002)	4-8
a. General	
b. Description of ENG Form 3002	
c. Register Closing	
1	4-0

TOPIC

PARAGRAPH

Disposition of Collections

4-9

- a. Available and Unavailable Special and Trust Fund Receipts
- b. Consolidated Working Fund Receipts
- c. Receipts During Construction of Projects
- d. Receipts During Operation of Projects
- e. Real Estate Collections
- f. Receipts from Sales of Government Publications
- g. Collections from Contractors for Underpayment of Wages
- h. Collections by Another Agency
- i. Voucher Deductions
- j. Set-off Deductions

Doubtful Accounts and Claims Receivable

4-10

- a. Doubtful Accounts
- b. Claims and Uncollectible Accounts

Claims Receivable

4-11

- a. General
- b. Form, Numbering, Registering, and Filing
- c. Treatment in Allotment Ledgers

Settlement of Accounts for Payroll Financing

4-12

- a. General
- b. Actions by Serviced Districts
- c. Actions by Central Payroll District
- d. Internal Operations of Central Payroll Districts

CHAPTER 4

BILLING AND COLLECTION PROCEDURES

4-1. General Instructions.

a. Purpose. This chapter covers procedures for the issuance of bills for amounts due the United States, the handling and disposition of collections, and the entry of bills rendered and collections made in the accounting records.

b. Policy.

(1) All amounts due the United States for services performed, goods furnished, advances made, and all other transactions financed out of a civil works appropriation for other agencies and individuals and for activities of another Civil Works appropriation, will be billed upon performance, or in advance when collection is to be made in advance of performance of service or work, except as provided below. At the end of the fiscal year, bills should be issued to the extent practicable for completed work as of 30 September, including portions of jobs and units of work within jobs, with a view to minimizing "work in progress (unbilled receivables)." Bills to other Government agencies should not be submitted for amounts of less than \$100, except for final billing.

* (2) The foregoing requirements for billing do not apply to "over the counter" sales, deposit fund collections and similar transactions where a bill is not issued prior to collection. Such transactions will be documented as provided elsewhere in this chapter.

(3) Settlement between the projects and the Revolving Fund need not be effected more frequently than monthly unless the financial condition of the fund makes it advisable to resort to more frequent reimbursements. However, the billings should be made currently, i.e., at the time costs are normally determined to be chargeable to the projects.

* (4) A locally devised systematic followup plan will be followed to insure prompt settlement of unpaid bills (Accounts Receivable). This plan should provide that demand letters will be written to the debtor in accordance with Appendix D, AR 27-40, when payment is not received within thirty days after the initial billing. *

(5) All billing between civil and military appropriations will be effected on a gross basis; i.e., such bills will not reflect deductions for amounts chargeable by debtor appropriations. However, such bills will reflect any adjustments in amounts of prior bills from the same creditor appropriation.

*

4-1

4-1

c. Collection of Amounts Due the United States. (1) The responsibility of a public disbursing officer is not dependent upon the ability, or lack of ability, to recoup an improper payment made to a payee, and the accounting officers of the Government are without authority, generally to relieve a disbursing officer from liability for an overpayment made to an officer of the Government who refuses voluntarily to refund the amount of such overpayment. The procedure in settling the accounts of and collecting final balances from disbursing officers who have made improper payments to other officers, which the latter refuse to refund, must be the same as the procedure employed in settling and collecting final balances embracing other types of improper payments.

(2) The President and the head of an executive department or establishment have ample authority to require the officers and employees in his department or establishment to satisfy their indebtedness to the United States arising from overpayment found by the accounting officers of the Government to have been made to them by disbursing officers, and this authority is in no manner vitiated by court rulings denying the right of arbitrarily stopping an officer's compensation without his consent to satisfy such indebtedness (7 Comp. Gen. 64).

(3) No money shall be paid to any person for his compensation who is in arrears to the United States, until he has accounted for and paid into the Treasury all sums for which he may be liable. In all cases where the pay or salary of any person is withheld in pursuance of this section, the General Accounting Office, if required to do so by the party, his agent or attorney, shall report forthwith to the general counsel for the Department of the Treasury the balance due, and the general counsel shall, within 60 days thereafter, order suit to be commenced against such delinquent and his sureties (act of 10 May 1934, 5 U.S.C. 82; act of 15 July 1954, 68 Stat. 482).

(4) When any final judgment recovered against the United States duly allowed by legal authority shall be presented to the Comptroller General for payment, and the plaintiff therein shall be indebted to the United States in any manner, whether as principal or surety, payment will be withheld of an amount of such judgment or claim equal to the debt thus due to the United States. If the plaintiff denies his indebtedness to the United States, or refuses to consent to the set-off, payment will be withheld of such further amount of such judgment, as will be sufficient to cover all legal charges and costs in prosecuting the debt of the United States to final judgment. If such debt is not already in suit,

legal proceedings will be immediately commenced to enforce the same, and will be prosecuted to final judgment with all reasonable dispatch. If in such action judgment is rendered against the United States, or the amount recovered for debt and costs is less than the amount so withheld as before provided, the balance will then be paid over to such plaintiff with 6 percent interest thereon for the time it had been withheld from the plaintiff (Acts 3 March 1875 and 3 March 1933; 31 U.S.C. 227).

(5) The act of 1875 is not mandatory in its provisions to the extent that it precludes the right to make set-offs under the common law. (See 23 Comp. Dec. 68). Every creditor has the right to apply the moneys of his debtor in his hands in the extinguishment of claims due him from the debtor. This is a common-law right and may be exercised on general principles without the aid of a statute. (See Barry V. United States, 229 U. S. 47; 15 Pet., 370; 98 U.S. 186; 4 Lawrence, First Comp. Dec. 504). The exercising of the common-law right of the Government to apply moneys due a debtor from the Government in liquidation of a Government indebtedness is not dependent upon the debtor filing a claim for moneys otherwise due.

(6) The authority and responsibility of the accounting officers of the Government to consider both debits and credits in the settlement of claims for and against the United States; that is, to apply an amount otherwise found due a claimant on one account in liquidation or reduction of an amount due on another account is not dependent on the act of 3 March 1875, 18 Stat. 481, as amended by the act of 3 March 1933, 47 Stat. 1516, except in the case of a judgment against the United States, but exists by virtue of section 305 of the Budget and Accounting Act of 10 June 1921, 42 Stat. 24. Where a contractor is indebted to the Government under one contract, the Government may off-set without separate action an amount owing by that contractor under another contract (Barry V. United States, Supreme Court of the United States, 229 U.S. 47). However, if any contract entered into by the Department of the Army provides that payment to an assignee of any claim arising under such contract shall not be subject to reduction or set-off, such payments shall not be subject to reduction or set-off for any indebtedness of the assignor to the United States arising independently of such contract (31 U.S.C. 203).

(7) (a) The act of 15 July 1954 (68 Stat. 482) provides authority for making deductions from the pay of civilian employees of the Corps of Engineers without their consent to satisfy indebtedness resulting from any erroneous payment (military or civil) made by an establishment of the Department of Defense to or on behalf of such employees.

(b) The act of 3 August 1950 (64 Stat. 393) provides authority to withhold from the pay of employees without their consent

ER 37-2-10
Change 42
21 Dec 79

to satisfy indebtedness arising from any erroneous payment made during previous employment by an agency of the Executive Branch of the Government where the General Accounting Office has raised a charge for such erroneous payment against a disbursing or certifying officer.

(c) Should a debtor's final salary as a former Government employee not be sufficient for complete liquidation, request will be made immediately to the Civil Service Commission for application of the amount to his credit in the retirement fund, in further liquidation of the indebtedness provided the amount involved is \$5 or more.

(d) The above-mentioned laws are implemented in AR 37-105 for civilian employees of the Department of the Army, and procedures set forth therein will be followed with respect to employees paid from civil appropriations. The instructions contained in AR 37-105 with respect to delinquent Federal income taxes, in CPR T3 for travel payment indebtedness and in CPR L1 for refund or lump sum leave payment upon reemployment will also be followed where the employee involved is paid from civil funds.

d. Disposition of Receipts - General Authorities. (1) When any property which has been heretofore or may hereafter be purchased or acquired for the improvement of rivers and harbors is no longer needed, or is no longer serviceable, it may be sold in such manner as the Secretary of the Army may direct, and the proceeds credited to the appropriation for the work for which it was purchased or acquired; and the Secretary of the Army may direct the transfer of any property employed in river and harbor works, and in such event, the property so transferred will be valued and credited to the project upon which it was theretofore used and charged to the project to which it will be transferred (Act, 13 June 1902; 33 U.S.C. 558).

(2) Where any mail remittance for the purchase of items is more than one dollar in excess of the "across the counter" sale price, such excess remittance will be credited to the appropriate suspense account and refund made therefrom. An excess remittance of one dollar or less should not be refunded unless specifically requested or claimed, however, if not requested or claimed the excess will be deposited with the correct remittance in the applicable receipt account. If refund is requested and claimed, the excess will be credited to the appropriate suspense account and refund made therefrom. Where any mail remittance is short in the amount of one dollar or less of the "across the counter" sale price, the item will be furnished for the amount submitted. In such cases, no collection actions will be taken to recover the balance since collection costs will always exceed the shortage. *

(3) All moneys arising from disposition of material supplied to the Army by the Corps of Engineers will remain available for the purpose of the appropriation from which such materials were authorized to be supplied at the time of the disposition (Act, July 9, 1918; 10 U.S.C. 1284).

(4) Any amount collected from any person, persons or corporations as a reimbursement for lost, stolen or damaged property, purchased in connection with civil works prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers, whether collected in cash, by set-off from C.S. retirement accounts or by deduction from amounts otherwise due such person, persons or corporations, hereafter shall be credited in each case to the appropriation that bore the cost of purchase, repair or replacement of the lost, stolen or damaged property (Section 4, Rivers and Harbors Act, 20 June 1938) (33 U.S.C. 571 and 701 K).

(5) Reports on surveys, called for in river and harbor acts or committee resolutions may, after receipt of a copy of the letter transmitting such report to Congress, be considered public information and may be sold to local interests at the cost of reproduction, or local interests may be afforded free access to the reports on file. The proceeds of sales of such documents produced in the district office will be deposited in accordance with paragraph 4-9f.

(6) Any moneys received from the sale of any wreck, under the law will be covered into the Treasury as General Fund Receipts (33 U.S.C. 414). The expense of removing wrecks under the law will be a charge against such craft and cargo; and if the owners thereof fail or refuse to reimburse the United States for such expense within 30 days after notification, then the officer or agent aforesaid may sell the craft or cargo, or any part thereof that may not have been destroyed in removal, and the proceeds of such sale will be covered into the Treasury of the United States as General Fund Receipts (33 U. S. C. 415). The expenses of the sale will be deducted from the proceeds and only the net amount deposited to the General Fund. The cost of removal of the wreck will be charged to appropriated funds.

(7) Receipts for the authorized rental of plant or equipment owned by the Government in connection with the prosecution of river and harbor works shall be deposited to the credit of the appropriation owning the plant (33 U.S.C. 559).

(8) Collections from individuals for subsistence and quarters.

(a) Cash collections for subsistence furnished to occasional guests and transient military and civilian personnel under the provisions of ER 1125-2-307 will be credited to the appropriation which bore the cost of the raw rations or to the Civil Works Revolving Fund in the case of messes financed by the fund.

(b) Cash collections for quarters will be credited as follows:

1. To General Fund Receipts when the quarters are furnished in connection with an operation or maintenance project, such as guest houses at operating and care projects.

2. To the construction appropriation when the quarters are furnished in connection with a construction project.

3. To the Civil Works Revolving Fund when the quarters are furnished in connection with Revolving Fund operation.

4-2. Billing Procedures

a. General. Bills will be issued promptly for all amounts due the United States. Generally, separate bills will be rendered covering each amount due; however, in instances where it is known that several billing transactions will mature during a given month to the same debtor or owing agency, only one consolidated billing need be prepared. A further exception to the general rule is made in instances where collections are made by voucher deductions, in that rendering of bills is not required in such cases. In this connection it is important to note the distinction which exists between billing and vouchering. For purposes of this manual billing of accounts receivable is defined as the preparation of documents (described in the following sub-paragraph) to be used to notify a debtor or owing agency of an amount due the Government. Vouchering of accounts receivable is defined as the preparation of documents to be used as the media for posting to the registers and to the subsidiary accounts.

b. Billing Forms to be Used. There are three principal types of billing documents:

(1) Standard Form No. 1114 - Bill for Collection (set), for billing to other than Governmental Agencies.

(2) Standard Form No. 1080 - Voucher for Transfers between Appropriations and/or Funds, for billing to Governmental Agencies where cash or check is required in settlement of the account.

(3) ENG Form 3006a - Bureau Voucher (for Cost Transfers) for Intra-District (Civil Works) billing. Such billing will be processed as "Intra-District Transfers", as described in para 4-7.

(4) Special Bills - When the volume warrants, alternate billing forms may be used after prior approval from the Office, Chief of Engineers. In offices where the number of cash collection transactions are voluminous special forms may be desired to effect a more efficient and economical procedure. Each such case should be worked out in detail and the plan submitted for approval.

c. Origination of Bills Receivable. (1) Billings for all pre-billed items (except for real estate outleases) will be prepared in the cost accounting section. Billing for real estate outleases will be prepared in the section of the Finance and Accounting Branch best suited therefor, as determined by the district engineer. Field office bills on ENG Form 3006a will be initiated by the field elements concerned.

(2) Only one series of bill numbers will be used by each office regardless of the appropriation or fund credited, or the type of billing document involved. The bill number assigned to ENG Form 3006a will also be the bill number assigned to the SF 1080 or SF 1114 which supports the ENG Form 3006a. In instances where ENG Form 3006a is not required (see subparagraph c(3) below) a number from the same series as used on ENG Form 3006a will be assigned to the billing document. The numbering system used in connection with ENG Form 3006a is further described in subparagraph e below.

(3) In the preparation of bills (SF 1080 and SF 1114), where practicable the cost, general ledger and allotment ledger entries may be included in the accounting classification block or on the reverse of the bill form and extra copies of the bills used as posting media in lieu of ENG Form 3006a.

(4) ENG Form 3158, Bureau Voucher or Obligation Document Number Register will be utilized to control assignment of bill numbers and indexing of appropriation registers. (See par 3-2a).

d. Preparation of Bills Receivable. (1) SF 1114 - Bill for Collection is prepared in triplicate, except as stated in Par. c(3) above. The original SF 1114 notifies the debtor of amount due; SF 1114a serves as the debtor's official receipt when the bill is collected and SF 1114b serves as the collection voucher when the bill is collected. Extra copy of SF 1114b may be made for administrative use if needed.

(2) SF 1080 - Voucher for Transfers between Appropriations and/or Funds is prepared in quadruplicate, except as stated in Par. c(3) above. The original SF 1080 and one copy serve the debtor agency as the disbursing voucher and memorandum copy of disbursing voucher. Two copies serve the creditor district as the collection voucher and memorandum copy of collection voucher. The billing office, when preparing the SF 1080, will indicate whether the billing is partial or final.

* The SF 1080's will be reviewed by the Chief, Civil or Military Accounting Section to verify that they have, in fact, been properly prepared and that adequate documentation is attached. Some examples of documentation are: Copy of DA Form 2544, TT Message or letter of authority for the charges, copy of Travel Order and Paid Travel Voucher, etc. When it is impractical to attach such documentation, sufficient narrative information must be displayed on the face of the SF 1080's to enable the receiving office to promptly and properly identify, validate and approve the bill for payment. All SF 1080's should be mailed to the attention of the office and symbol which requested the service.

ER 37-2-10
Change 42
21 Dec 79

(3) ENG Form 3006a - Bureau Voucher (For Cost Transfers) is prepared in duplicate. The original ENG Form 3006a serves as the posting media to the appropriate accounts receivable register and to the allotment ledger. The copy of ENG Form 3006a is a convenience copy and serves as the posting media to the subsidiary (Cost) ledgers.

e. Preparation of ENG Form 3006a - Bureau Voucher (For Cost Transfers) (1) ENG Form 3006a Bureau Voucher (For Cost Transfers) will be prepared in connection with all accounts receivable transactions not processed in accordance with subparagraph c(3) above.

* 4-2e

4-7a

(2) ENG Forms 3006a may be prepared by use of typewriter, pen and ink, or pencil, provided the copies are legible, and will be signed by the appropriate responsible individual executing the forms.

(3) Bill numbers will bear the prefix "B" and commence with
* number one for each month of each fiscal year. The month and fiscal year will be designated by prefix numbers also, with Oct being recognized as the first month. The last two digits of each fiscal year will be used to designate the fiscal year. For example, the first bill for Oct, 1976 (in fiscal year 1977) is shown as follows: B-1-77-1. The first bill for Sept 1977 (in fiscal year 1977) would be as follows: B-12-77-1. *

(4) ENG Forms 3006a will be prepared based on data contained on SF 1114 Bills for Collection, or SF 1080 - Voucher for Transfer between Appropriations and/or Funds, or in the case of "intra-district transfers", from cost determinations.

f. Categorization of Receivables. Billed receivables and the collection of bills rendered result in six general categories of receipts. Each category has its own characteristics as to availability or unavailability for re-expenditure. The proper category applicable to each bill will be indicated in the accounting data contained on ENG Form 3006a or other billing document when ENG Form 3006a is not prepared. An explanation of the various categories is presented in the following paragraphs:

(1) Appropriation refunds. (a) These receipts represent repayments to the appropriation and are available for expenditure without apportionment by the Bureau of the Budget. They are collections representing repayments of advances and recoveries of erroneous payments or overpayments and are usually identified with the specific voucher or contract on which advances or erroneous payments or overpayments occurred. Such collections are not reimbursements to appropriations but are in effect reductions of payments. It has long been the rule that if a collection involves a refund of moneys paid from an appropriation in excess of what was actually due, such refunds are properly for credit to the appropriation originally charged (5 Comp. Gen. 734, 736). An exception to this general rule is contained in 7 GAO 2080 which provides that repayments to lapsed appropriations will be credited to successor "M" accounts instead of to the appropriation originally charged. Examples of appropriation refunds are:

1. Collections of salary overpayments.
2. Collections of overpayments made to commercial concerns because of erroneous billing or incorrect computation of invoices.

3. Amounts collected for items rejected and returned.
4. Collections made on account of suspensions or disallowances by the General Accounting Office.
5. Collections of charges for transportation purchases (for both persons and things) where the whole or part is required to be paid by the traveler, such as amounts for baggage or property transported in excess of the established allowances.
6. Recoveries of repayments for contractual services, such as rent, and transportation purchased, where such contracts are canceled and adjustments are made for the unused portion.
7. Return of travel advances or portions thereof.
8. Allowances on articles retained but which were not satisfactory.
9. Checks which have been recorded as disbursements but which are subsequently canceled.
10. Repayments against advances made to contractors.
11. Amounts recovered as a result of price redetermination agreements, forward pricing agreements, and other adjustments in prices, when such agreements are a part of the original contract provisions.
12. Voluntary refunds made by contractors pursuant to specific contract provisions for price redeterminations.
13. Recoveries of deposits on containers.
14. Refunds of State gasoline taxes.
15. Recoveries, Jury fees, and Witness fees.

*

(b) The appropriation refund category also includes:

1. All adjustments between Civil Works appropriations and funds; including revolving funds, contributed and advanced funds, and appropriations of other departments or agencies transferred to the Department of the Army for administration under Corps of Engineers Civil Works procedure (e.g. V.A. Hospital Program).

*

1 Apr 69

2. Adjustments between Civil Works construction appropriations and any other construction appropriation and/or funds for services and materials which are common to the administration and operation of the various construction programs.

(c) Where adjustments are made pursuant to law between appropriations of the same bureau, or agency, a citation of the authority should be shown on the adjustment documents, or the vouchers should be carefully reviewed to assure that authority for inclusion thereof in the appropriation refund category exists.

(2) Appropriation Reimbursements. (a) These receipts represent repayments to the appropriation and are available for obligation and reexpenditure subject to apportionment by the Bureau of the Budget in accordance with Budget-Treasury Regulation No. 1. These are collections, other than appropriation refunds, and other than repayments to a revolving fund, for commodities, work, or services furnished or to be furnished between appropriations of different bureaus or agencies or to an individual, firm, or corporation, to be credited pursuant to law to an appropriation account. Collections under this category of repayment generally result from contracts or agreements made by an agency to furnish commodities or services, and the amounts involved need not be directly related to any particular disbursement previously made. Such transactions do not represent a correction or adjustment of previously recorded expenditures, but operate to augment the original amount appropriated by Congress. Accordingly, such transactions are recorded as reimbursements to the appropriation, and not as refunds. Examples of appropriation reimbursements are repayments for:

1. Sale of personal property.
2. Work or services performed.
3. Sale of utilities, excluding receipts from sale of electric energy to occupants of Government quarters when it is required that such receipts be deposited to the U. S. Treasury as miscellaneous receipts.

4. Rental of real or personal property, when not required by law to be credited to the General Fund of the Treasury as miscellaneous receipts, including receipts by voucher deductions or by payroll deductions (excluding payroll deductions for quarters and subsistence). (Deductions from payrolls for quarters and subsistence are normally "dropages"; i.e., not charged to the appropriation from which the salaries are paid. The effect is the same as if collections therefor were treated as appropriation refunds.)

*

5. Sale of Timber. Receipts from sale of timber sold separately from land are credited to the constructing appropriation (as appropriation reimbursement) if the related project is under construction; and are credited to the Operation and Maintenance, General appropriation (as appropriation reimbursement) if the related project is physically and financially complete. (See paragraph 4-9, and Chapter 8, features 01.17 and 680.23.) Receipts from sale of timber sold with land are deposited into the General Fund of the Treasury as miscellaneous receipts. (See Chapter 8, features 01.18 and 680.32.)

*

4-10a

4-2f(2)

1 Apr 69

(b) All documents involving appropriation reimbursements should either contain a citation of the authority therefor, or be carefully reviewed to assure that authority for the appropriation reimbursement category exists.

(3) Appropriation Receipts. (a) These receipts represent collections for credit only to special and trust fund receipt accounts which, pursuant to law, are deposited into the Treasury and appropriated for specific purposes.

(b) A special fund is established to account for receipts of the Government which are earmarked by law for a specific purpose, but which must be appropriated by the Treasurer prior to reuse in fulfillment of that purpose. Examples of special fund accounts are:

1. 965090 Receipts from leases of lands acquired for flood control, navigation, and allied purposes.

2. 965066.1 Hydraulic mining in California, tax, debris reservoirs.

(c) A trust fund is established to account for receipts which are held in trust for use in carrying out specific purposes and programs in accordance with an agreement or a statute. Examples of trust fund accounts are:

1. 96X8862 Rivers and Harbors Contributed Funds.

2. 96X8869 Rivers and Harbors Advance Funds.

(4) Repayments to the Revolving Fund. These receipts represent repayments to the Revolving Fund, Corps of Engineers (Civil Works), which fund pursuant to law, is credited with reimbursements or advances (working fund advances excluded) for the cost of equipment, facilities, and services furnished at rates which include charges for overhead and related expenses, depreciation of plant and equipment, and accrued leave. Such receipts are available for use without apportionment by the Bureau of the Budget.

(5) General Fund Receipts. These receipts are not repayments to an appropriation. They are collections for deposit to the general fund of the Government except those receipts which are required by law to be deposited into other designated funds or accounts. Examples of general fund receipts are:

(a) Sale or rental of land.

(b) Interest collected on advance payments and amounts deducted which represent interest charges.

(c) Commissions on telephone pay stations in Federal buildings.

(d) Sale of publications.

*

(e) (Reserved.)

(f) Cash proceeds from redemption of Trading Stamps. (Includes all such proceeds generated at Districts having predominantly Civil Works).

(g) Compensation received from air lines for overbooking.

(6) Deposit Fund Receipts. Deposit fund receipts are collections held in suspense pending determination of their disposition, and moneys which are held by the Government as fiscal agent. Such collections will be reviewed not less frequently than quarterly to assure that the balance of the account is current and all proper refunds and transfers to appropriations have been made. Examples of deposit fund receipts are:

(a) Collections represented by payroll deductions for Federal taxes and for the purchase of United States Savings Bonds.

(b) Proceeds from the sale of property, where expenses in connection with the sale are to be paid from the gross proceeds before the net proceeds are credited to a general fund receipt account.

(c) Deposits for the guarantee of performance under contracts.

(d) Money received in advance guaranteeing payment for subsequent sales or services to be rendered.

(e) Moneys received on account of taxes imposed by Federal, State (such as a tax on unofficial telegraph service; this does not include State taxes on unofficial telephone service which may be subject to reimbursement to an appropriation), or other political subdivisions of the Government.

(f) Telegraph tolls collected for other lines where the Government receives the message from the sender and transmits it over Government and connecting lines.

(g) Moneys received in the nature of deposit liabilities where the Government acts as fiscal agent.

(h) Amounts withheld from partial payments to contractors until completion and acceptance of work covered by the contract.

g. Objective Classification.

(1) Appropriation Refunds will be objectively coded at the time of billing as contra items to the code used in connection with the previous expenditure and so recorded. The object class code will be included in the accounting detail contained on the ENG Form 3006a.

(2) Appropriation Reimbursements will not be objectively coded as contra items to the code used in connection with the previous expenditures. (Appropriation reimbursements will be recorded in the Allotment Ledger as additional funds received, without reference to object class code, see Chapter 5).

(3) General Fund Receipts and Deposit Fund Receipts do not require objective classifications in those accounts.

(4) Revolving Fund Repayments.

(a) Billing to other Corps Offices. Objective class codes for accrued expenditures recorded in the Revolving Fund will not be reduced for billings of Revolving Fund sales. When billing other Corps offices for such sales, the description of work performed will include a breakdown of "Labor services" (see para 4-2g(5)) and "Other services."

(b) Billing to appropriations of the same district. Warehouse issues, travel, and work performed for civil appropriations will be billed to and recorded under the appropriation as object class 253 services rendered by the Revolving Fund; 21 Travel and Transportation of Persons; 26 Supplies and materials, and 31 Equipment, as applicable. Individual billings of less than \$5.00 will be classed as 253. Class 253 will be adjusted for personnel compensation and benefits in accordance with para 4-2g(5)(a). Billings to military appropriations will be classified in accordance with ER 37-345-10.

(c) Estimated billings for Revolving Fund expenses. Estimates of accrued expenditures will be recorded under object class 253 when more than one object class is involved in the actual transfer. This applies to distributions of plant, equipment and facilities operations, overhead, etc. Subsequent actual cost distributions will be supported by memoranda records reflecting the proper object class breakdown. These records will be used as the basis for ENG Form 3006a to adjust the estimated expenditure previously entered in the records and to record the actual amounts under the proper objective classes.

(d) Billing to other agencies. Billings for work performed for Army, Navy and Air Force installations, other Government departments and agencies, municipalities and private parties will show the total charge as class 25.

(5) Personnel Compensation and Benefits.

(a) Payroll Earnings and Benefits will be recorded based on the amounts furnished by the Personnel Officer as accrued expenditures under object class 11 for each appropriation simultaneously adjusting the same amount as a decrease to object class 253. At the same time, the ratio of personnel benefits obtained from account 447 will be entered as accrued expenditures for object class 12 with a simultaneous decrease of object class 253. It will not be necessary to adjust the object classes for non-Corps appropriations
* identified by double-asterisk (**) as shown in ER 570-1-3. Care will be exercised to assure that the adjustments do not result in a credit balance in object class 253 under any appropriation
* for an extended period or as of 30 Sept. A continuing credit balance may indicate that the assignments of positions to appropriations needs reevaluation.

(b) Executive, Advisory and Administrative Staff and Supply Division employees will be considered assigned on an interim
* basis to the Revolving Fund, see ER 570-1-3. At the end of each month after overhead distribution procedures are completed, the ratios of overhead applied to each appropriation will be furnished to the Personnel Officer so that he may reassign the positions, man-months and amounts of earned compensation to appropriations from the Revolving Fund. The charges for such services under object class 253 will be adjusted to earned compensation in accordance with para 4-2g(5)(a).

(c) The earned compensation of floating plant crews, drill crews or other employees who are performing work for appropriations of other offices may be temporarily assigned
* to the Revolving Fund as provided by ER 570-1-3. The total regular and overtime labor hours and amounts will be included separately on the bills furnished to the Personnel Officer. The billed-out earnings (salary or wages earned by civilian employees) should not be greater than the labor cost transfers at effective time rates.

(d) Overtime earnings, holiday premium pay and hours will be compiled separately under each appropriation. The charges will be recorded as object class 11 with off-set against object class 253. The overtime applicable for Advisory and Administrative Staff, floating plant, drill crews or borrowed labor will be distributed to the appropriations simultaneously but as a

separate amount with overhead distribution or billing to other Districts. The data will be furnished to the Personnel Officer each month.

(e) When billings are made or received covering personnel utilization in prior fiscal year, the recording of the bills will be made to prior year accrued expenditures object class records provided the accounts have not been closed and finally reported as of 30 Sept. Where the accounting records have been closed for the fiscal year, labor services will remain in object class 253 and the amounts will represent a reconciliation item between the manpower utilization record (ER 570-1-3) and the object class record pertinent to the fiscal year.

*

*

4-3. Processing of Accounts Receivable

a. As previously stated, all accounts receivable, except those processed in accordance with paragraph 4-2c(3), require ENG Form 3006a Bureau Voucher (For Cost Transfers) for accounting expediency. The original ENG Form 3006a supported by the billing document (SF 1080 or SF 1114) is processed to the Finance Accounting element for recording in the applicable Accounts Receivable Register and Allotment accounts. The copy of ENG Form 3006a will be used in the Cost Accounting element for recording in the appropriate subsidiary (cost) accounts. Accounts receivable documents not requiring preparation of ENG Form 3006a will be recorded on the basis of the accounting classification directly in the Accounts Receivable Register. In such cases additional copies of the bills will be used in lieu of ENG Form 3006a and the procedures in b and c below modified accordingly.

b. Governmental agency billings (excluding intra-district billings which are covered under the "intra-district transfer" procedure) require checks to be drawn in settlement thereof. This includes billings between civil works funds and military funds of the same district and between districts. The cost accounting element will prepare a set (original and one copy) of Bureau Voucher (for Cost Transfers), ENG Form 3006a, and a four-part set of Standard Form 1080 - Voucher for Transfers between Appropriations and/or Funds. SF 1080 (original and two) will be transmitted to the debtor or owing agency. One copy of SF 1080 will be attached to the original ENG Form 3006a.

c. Billings to other than Government agencies also require receipt of cash (or equivalent) in settlement thereof. The cost accounting element will prepare a set (original and one copy) of Bureau Voucher (for cost Transfers), ENG Form 3006a showing pertinent accounting data. Standard Form 1114 (triplicate) will be prepared; SF 1114 and SF 1114a will be transmitted to the debtor. Standard Form 1114-b will be furnished to the cashier.

d. When collection is accomplished and noted thereon, the SF 1080 or SF 1114b will be attached to the posting media (original ENG Form 3006a, or appropriate copy of SF 1114 or SF 1080 used in lieu of an original ENG Form 3006a), collection noted in the Accounts Receivable Register, and then filed in collected bills file.

*

1 Apr 69

e. In all instances of "intra-district transfers" two sets of Bureau Voucher (for Cost Transfers) will be prepared. ENG Form 3006 (original and one copy) will be prepared to show data for recording the accounts payable of the receiving project and appropriation. ENG Form 3006a (original and one copy) will also be prepared to show data for accounts receivable of the delivering project and appropriations. ENG Form 3006 (accounts payable) and the ENG Form 3006a (accounts receivable) will be posted to the cost ledgers. The original ENG Form 3006 and the original ENG Form 3006a will be entered in the appropriate Accrued Expenditure and Accounts Receivable Registers respectively, and in the allotment ledgers. The original ENG Form 3006 and the original ENG Form 3006a Bureau Vouchers (for Cost Transfers) may be summarized periodically on Standard Form 1081 - Voucher and Schedule of Withdrawal and Credits and the total entered concurrently (in the current or the subsequent month) in the Cash Disbursements Register and the Cash Receipts and Deposits Register; or the individual ENG Forms 3006 and 3006a may be so posted individually. The above includes transfers between projects of the same appropriation, and transfers between appropriations. Transfers from special deposit accounts will be summarized on Standard Form 1081.

4-4. Accounts Receivable - Register (ENG Form 3003 and ENG Form 4010).

a. Accounts Receivable Register, ENG Form 3003, has been designed for use in recording accounts receivable and claims receivable transactions manually. These registers will be maintained in district offices as required. Space is provided in the heading of the form for insertion of the applicable appropriation or fund symbol. Blocks are also provided in the heading of the form to distinguish the register pertinent to the Revolving Fund from the registers pertinent to other funds. The General District block is applicable to all Civil Works Funds, other than the the Revolving Fund. Billing documents, ENG Form 3006a, SF 1114 and SF 1080 will be used as the posting media and entered in the appropriate register as issued. For those intra-district transactions where the "intra-district transfer" procedure applies, either immediate entry, using the same posting media, or summary entry by SF 1081 schedule not less frequently than monthly, will be made to the appropriate Cash Disbursement and Cash Receipts and Deposits Registers. Detailed explanation of "intra-district transfers" is contained in paragraph 4-7.

b. Description of ENG Form 3003.

(1) Columns (a) through (d) - Self explanatory.

(2) Accounts to be Debited

Columns (e) through (i) - These columns are provided for recording accounts receivable, claims receivable, or debits to other accounts.

(3) Accounts to be Credited.

Columns (j) through (r) - These columns are provided to record amounts credited for work in progress, income, credits to operations, sales, expenses, etc.

(4) Appropriate column headings will be inserted as required.

c. Accounts Receivable Register. ENG Form 4010 has been designed for use in posting on accounting machines and differs basically from ENG Form 3003 in the following respects:

(1) A "Proof" column has been provided on the extreme left of the form.

(2) An "Object Class" column has been provided for optional use.

(3) Three columns under "Accounts to be Credited" have been eliminated.

Except for the variations noted above, the columns on this form will be used in the same manner as on ENG Form 3003.

d. Monthly Closing. These registers will be totalled at the end of each month and a summary entry prepared for each Register on Journal Entry, ENG Form 3007a, signed by the appropriate responsible individual executing the forms. Amounts to be debited and credited to the general ledger accounts will be developed either from columnar totals or by selective addition in those columns containing amounts classified to more than one account. Pro forma entries are included in Chapter 2 to illustrate typical journal entries from these registers.

e. Cancellations or Correction of Entries. When a bill is canceled, an entry reversing the original entry will be made in the Accounts Receivable Register, using ENG Form 3006a. A notation will be made in the column for "payment received" data on the line of the original entry for the canceled bill to the effect that the bill has been canceled. The same procedure applies when a corrected bill is issued, except that in addition, the new bill will be entered in the Accounts Receivable Register and the notation opposite the original billing will show a cross-reference to the corrected bill number.

4-5. Filing and Reconciliation.

a. Collected Bills File. A collected file, by bill number, will be maintained by the Finance Section, pertinent to collections which have been effected on billings and cancellations of bills. At the time collection is received the "uncollected" copy of the bill will be withdrawn from the "uncollected" files, the amount collected entered in the Cash Receipts and Deposits Register, and then filed in the "collected" file after notation has been made signifying payment has been received. A separate file of collected bills will be maintained for each fiscal year, the bills being filed by bill number sequence for the fiscal year during which collection was made.

b. Uncollected Bills. (1) After processing bills through the Accounts Receivable Registers, etc., accounts receivable documents will be filed in "uncollected files" by bill number until collection is effected. This file is the support for the balances in the various general ledger accounts receivable.

(2) At the end of each month the uncollected file will be checked against the balances in the general ledger accounts which they support. They must balance. With respect to monthly verification of uncollected items, the open accounts receivable will be listed by appropriation as of the end of each month including reference to bill number. Such listing may be prepared by use of adding machine tape or other informal record. At the end of each fiscal year a listing of uncollected bills will be prepared by appropriation in duplicate. Districts required to submit the trial balance prescribed by paragraph 20-4, will recapitulate the listing below appropriation level as necessary. The listing will be distributed as follows:

(a) Original attached to the applicable Accounts Receivable Register sheet for October of the new fiscal year.

(b) Copy attached to applicable Accounts Receivable Register sheet for Sept of the closing fiscal year.

1 Apr 69

As bills of prior fiscal years are collected, collection data will be inserted only on the original listing (cited in paragraph (a) above) without recourse to the Accounts Receivable Registers of prior fiscal years.

4-6. Collection Procedures.

a. General. (1) These procedures relate to the receipt and deposit of funds collected by the Corps whether as advances or in liquidation of amounts due for work performed or for services, goods and facilities furnished.

(2) Every person who has moneys of the United States in his hands or possession, and disbursing officers having moneys in their possession not required for current expenditure, will pay the same to the Treasurer of the United States, or some public depository of the United States, without delay, and in all cases within 30 days of the receipt. The Treasurer or the public depository will issue duplicate receipts for the moneys so paid, transmitting forthwith the original to the Treasurer of the United States and delivering the duplicate to the depositor.

(3) The gross amount of all moneys received from whatever source for the use of the United States, except as otherwise provided, will be paid by the officer or agent receiving same into the Treasury, at as early a date as practicable, without any abatement or deduction or account of salary, fees, costs, charge expenses or claim of any description whatever.

(4) From the proceeds of sales of old material, condemned stores, supplies or other public property of any kind, before being deposited into the Treasury, either as general fund receipts on account of "Proceeds of Government property" or to the credit of the appropriations to which such proceeds are by law authorized to be made, there may be paid the expenses of such sales, so as to require only the net proceeds of such sales to be deposited into the Treasury, either as general fund receipts or to the credit of such appropriations, as the case may be (31 USC 489). Where proceeds are for deposit to the credit of an appropriation available for payment of the expenses of the sale, there is no advantage or benefit to be derived by paying the expenses from the proceeds and depositing the net amount. In such cases, the gross amount of the sale should be deposited and the expenses paid in the usual manner.

b. Receipt or Collections. (1) General. Whenever a disbursing officer receives any moneys of the United States, he will deposit the same without delay to the credit of the Treasurer of the United States. The requirement that funds be deposited "without delay" will be interpreted to mean in the usual course of business. Receipts averaging less than \$50.00 per week will be deposited weekly. Authorized collectors, Assistants to Finance and Accounting Officers and Recreational Fee Cashiers are authorized to collect amounts from and issue official receipts to parties making payments to the Corps of Engineers.

(2)(a) Authorized Collector and Assistant to Finance and Accounting Officer. The terms "authorized collector" and "Assistant to Finance and Accounting Officer" are not synonymous. Authorized collectors are those individuals (not mail clerks) whose official duties require them to receive collections on behalf of the Government for transmittal to the Finance and Accounting Officer (disbursing officer). The Assistant to Finance and Accounting Officer is a bonded assistant to the Finance and Accounting Officer responsible for handling collections for the latter, including collections turned in by authorized collectors and Recreational Fee Cashiers (RFC) (see (b) below). Collections may be received "over the counter," through the mail, or by messenger. However, in all cases the actual collection is not effected in Government accounts until the money or other form of remittance is received and receipted for by an authorized collector or Assistant to Finance and Accounting Officer or collected by a RFC. An authorized collector is responsible for taking reasonable measures to protect collections while in his custody. An Assistant to Finance and Accounting Officer is similarly responsible for moneys in his possession pending proper disposition. Since duties prescribed for "cashiers" provide for the making of cash disbursements or other specific duties, such designation will not be used in connection with the duties of an authorized collector or Assistant to Finance and Accounting Officer. Provided adequate safekeeping facilities are available, cash collections should be transmitted by the authorized collector to the Assistant to Finance and Accounting Officer not less frequently than once each week, and at any time the amount collected but not transmitted totals \$100. or more.

(b)1 Recreational Fee Cashier (RFC). This term is used to denote employees designated to receive moneys collected by Rangers (ER 1130-2-404, para 9) at all Corps operated recreational areas, and who are responsible for the proper disposition of moneys so received. The RFC's will be required to sign a receipt for User Permits (ENG Form 4457, by Serial Number) and change funds placed in their custody. Provisions of para 9-6.1, ER 37-2-10, will be observed. Collections made by Rangers and received by the RFC's will be transmitted to the Finance and Accounting Officer at least once a week, or each day the total amount collected but not turned in exceeds \$1,000. The RFC's responsible for receiving

*

- * the User fees will function as authorized collectors under subpara (2)(a) above. Advances and turn-ins of change funds will be documented on DD Form 1081. When deemed necessary, an RFC or designated alternate (subpara 6(b)2) will be made available on week-ends and holidays to receive collections made by the Rangers.

2 Alternate Cashier. This term is used to denote employees designated to serve as RFC in the absence of the regular cashier (para 9-6.1b). The regular cashier may supply numbered permits to the alternate by means of a hand receipt showing the permits by serial numbers. Any turn-ins of cash to the Finance and Accounting Officer required to be made by the alternate will show the name of the regular cashier to whom the permits were originally issued. Where the expected absence of the regular cashier is to be of long duration, the Alternate Cashier may obtain a quantity of permits in his own name from the source of supply.

3 Rangers. User fee collections will be made by uniformed Ranger personnel. Where sales of User Permits are conducted by Rangers in the course of their general duties, the User Permits may be furnished on hand receipt by a designated RFC. Rangers so supplied with User Permits will function as authorized collectors under subpara (2)(a) above, except all collections made will be turned in to the RFC instead of to the Finance and Accounting Officer. A change fund not to exceed \$50 may be provided by the Finance and Accounting Officer to Rangers upon authorization approved by the District Engineer. SF 1081 will be the form used for documenting the change funds. Rangers will be responsible for taking reasonable measures to protect permits, collections, and change funds while in their custody, accounting daily to the RFC for the number of unsold permits and turning in cash received. Depending on circumstances, the RFC may permit Rangers to accomplish this daily transaction directly with the Finance and Accounting Officer. Where it is not practical for a Ranger to turn in collections at the end of an activity's normal business hours, a night depository at a nearby local bank, or other such comparable arrangement as deemed prudent, may be utilized. For use of a night depository, provisions of AR 37-103 will apply. *

(3) Bills Receivable. Generally, collections will be covered by billings prior to collection. In connection with deposit fund collections received where there has been no prior billing (e.g. bid deposits, cash sales of U. S. Savings Bonds, etc.), a summarization on ENG Form 3313, Remittance Register, or a DD Form 1131 may be used in lieu of Standard Form 1114 to transmit the collections to the Disbursing Officer. Each transmittal will be assigned a bill number in the series used in connection with ENG Form 3006a. When deposit fund collections are refunded, the refund voucher and the col-

*

4-21

4-5b

ER 37-2-10
Change 22
29 Jun 73

lection summary voucher will be cross-referenced to each other. On other collections which are received prior to billing, except for trust fund receipts, ENG Form 3006a will suffice for documentation in both the Accounts Receivable and the Cash Receipts and Deposits Registers and as appropriate, in the allotment ledger.

* 4-6b

4-21a

* (4) Form of Collections:

(a) Proceeds of Sales of Scrap, Salvage and Surplus.
Collections representing bid deposits, when required by the Invitation for Bids, shall be 20 percent of the total amount of the bid. However, the bid deposit for a term contract in excess of 1 year's duration shall not exceed 20 percent of the total price estimated for 1 year's removal of property. Unless otherwise provided in the Invitation, bid deposits and payments shall be in U. S. Currency or any form of negotiable credit instrument, other than a promissory note or revocable letter of credit, made payable on demand in U. S. Currency. Uncertified personal or business checks must be first party checks. Post dated credit instruments are not acceptable. Uncertified checks will not be an acceptable form of bid deposit or payment where for a prior sale or bid, the purchaser or bidder tendered an uncertified personal or business check which was not paid by the drawee for any reason and the bidder, purchaser, and drawer of the Check have been so notified in writing by the selling agency. Deposit bonds submitted on standard Forms 150 and 151, paras 101-45. 4906 and 101-45.4907 Federal Property Management Regulations may also be accepted when provided for in the invitation for bids.

(b) All other collections may be in the form of cash, money order, check or other negotiable sight instrument. Money orders, checks or other instruments must be drawn to the Treasurer of the United States or so indorsed. Postage stamps will not be accepted as remittances. In case of doubt as to negotiability, a check may be accepted for collection only, with a qualified receipt given when a receipt is requested by the payer. In this connection attention is invited to Standard Form 1114a which is prescribed for official receipt. It will be noted that under "Notice to Payer" a qualified receipt is given for payment in other than cash or U. S. Postal Money Order pending clearance of tender. Such receipt does not constitute full credit or discharge the indebtedness of the payer, and therefore acceptance of a check by qualified receipt does not become the financial responsibility of the disbursing officer, pursuant to cited laws, decisions or regulations. In doubtful instances where a check is received covering the sale of property, it is advisable to insure that the check has been properly cleared for collection prior to turning over the property. The procedure for clearing the amount of an uncollectible check from the disbursing officer's account as a charge to an appropriation or fund, failing collection and upon processing as an uncollectible debt, is indicated in the description of line 7.4 of SF 1219 contained in 7 GAO 7000, APP A.

(c) Collections are also effected through voucher deductions.

(6) Acknowledgment of Receipt. Receipts for collection will be given only to cash remitters, except when requested by the payer. When receipts are given they will be on Standard Form 1114a properly completed. Receipts will be prepared at the time the cash remittance is received and will be immediately transmitted to the remitter. (Special receipts have been prescribed for petty cash sales. See para 4-6b(9)).

(7) Use and Control of Collections. Collections will be used for the purpose for which collected and will not be intermingled with funds of any other nature. Cash remittances will not be used for cashing checks, or making change or refunds for checks drawn in an amount greater than the amount due, or for making any disbursements. All collections, including checks, money orders, drafts, and other forms of negotiable instruments must be safeguarded in the same manner as cash.

* (8) Collections by Mail, etc. All necessary precautions will be taken to safeguard mail collections. *
Effective internal controls over collections shall be maintained by providing for separation of duties and responsibilities of employees handling and accounting for collections. In accounting for mail collections, one of the procedures outlined below will be followed:

(a) Use of DD Form 1131 and ENG Form 3313.

1. Cash collected at field offices will be promptly scheduled on DD Form 1131, Cash Collection Voucher in original and two copies. The original and one copy will be sent to the district office along with the collection. The other copy of DD Form 1131 will be retained by the remitter pending return of a receipted copy, after which the unreceipted copy will be destroyed.

2. Upon receipt of mail remittances at the district office the mail clerk, or other designated employee authorized to receive and open mail, will include them on ENG Form 3313, "Remittance Register", prepared in triplicate. The original and one copy, along with the collection and all the documents which accompanied the remittances, will be given to the Assistant to Finance and Accounting Officer. The other copy of the register will be given directly to the district accounting element for use in verifying that the remittances are properly applied to their intended use.

3. The Assistant to Finance and Accounting Officer will receipt the copy of the Remittance Register and the copy of any DD Forms 1131 and return them to their respective originators.

*

15 FEB 71

4. The Remittance Registers and DD Forms 1131 will be numbered consecutively, prefixed by a code letter which identifies the preparing unit, in order that proper control is exercised over collections. Collections received by mail from field offices will be scheduled on the same Remittance Register as collections received from other sources.

(b) Use of ENG Form 3313.

1. Cash collected at field offices will be scheduled promptly on ENG Form 3313, "Remittance Register", prepared in four copies. The original and one copy, together with the collections, will be sent directly to the Assistant to Finance & Accounting Officer (not to be opened by Mail and Records). The second copy of the Remittance Register will be retained by the remitter until the receipted first copy is returned by the Assistant Finance & Accounting Officer. The second copy will then be destroyed. The third copy of the Remittance Register will be sent by the remitter directly to the district accounting element for use in verifying that the remittances are properly applied to their intended use.

2. The Assistant to Finance & Accounting Officer will receipt the copy of the Remittance Register and return it to the remitter.

3. The Remittance Registers will be numbered and prefixed by a code letter in the manner indicated in subparagraph (a)4 above.

(9) Petty Cash Sales. Where over the counter sales are made, an appropriate sign will be displayed, stating where such sales can be effected and instructing purchasers to secure a cash receipt for all purchases. A designated employee, other than an authorized collector or Assistant to Finance & Accounting Officer, will issue books of pre-numbered SF 1165, Receipt for Cash-Subvoucher, to personnel specifically authorized to make cash sales. At the time each sale is made a pre-numbered receipt will be given to the purchaser. The cash collected, supported by a copy of the numbered receipts, will be turned over by each authorized collector to the Assistant to Finance & Accounting Officer, as prescribed in para 4-6b(2) together with ENG Form 3006a and/or SF 1114-a, 1114-b (see para 4-2c(3)) summarizing each day's petty cash sales for processing through the accounts. The receipt, accomplished on SF 1114a will be given to the authorized collector.

c. Deposit of Collections. Collections will be deposited promptly, in accordance with instructions contained in paragraph 4-6a. All checks, drafts, money orders, and any other forms of negotiable instrument will be examined for omissions or discrepancies before deposit, and returned to the remitter if necessary, and will not be accepted unless so drawn or endorsed that they may be deposited. All negotiable instruments will be drawn payable to, or endorsed properly for credit to the Treasurer of the United States.

1 Apr 69

(1) Scheduling of Collections. Under the on-site audit procedures no scheduling of collections by the disbursing office is necessary, except (a) transfers of special deposits which will be scheduled on Standard Form 1081 Voucher and Schedule of Withdrawals and Credits, (b) Voucher deductions in payment of amounts due which will be recorded from an extra copy of Standard Form 1166, and (c) canceled checks which will be scheduled on Standard Form 1098 Schedule of Canceled Checks.

(2) Loss of Negotiable Checks. If a check, money order, or draft, or other form of exchange becomes lost, the remitter will be requested to stop payment and to furnish a substitute remittance. If the lost item is recovered after the remitter has been requested to stop payment, it should be held until the substitute remittance is received, and then returned to the remitter.

(3) Uncollectible Checks. In the event a check is returned from the depository as being "uncollectible", an examination will be made to determine the reason therefor. Examination may reveal a deficiency that can be corrected locally, such as an omission of an endorsement, improper endorsement or other cause, in which event proper correction will be made and the check promptly re-deposited. When a deficiency is such that it cannot be corrected locally, the remitter will be requested to provide substitute payment. The check will not be returned until substitute payment has been received, and collection accomplished.

(4) Certified Checks in Lieu of Bid Bonds. Contracting officers may require bidders to furnish security to insure execution of proposed contracts. The bidder, at his option, may among other things furnish a certified check in lieu of bid bond. The Government may make such disposition of the check as will accomplish the purpose for which submitted and such checks may be held uncollected at the bidder's risk. Checks of unsuccessful bidders will be returned as soon as practicable after the bid opening. At the time bids are opened, an authorized collector will be present and will schedule the bid deposits on ENG Form 3313, Remittance Register in quadruplicate. Such collector will normally take over custody of the checks received and give the contracting officer a copy of the Remittance Register as his receipt. All such checks received may be held by the authorized collector undeposited for a period not to exceed 48 hours. At the expiration of 48 hours after opening the bids, all monies not returned to the unsuccessful bidders will be transmitted to the disbursing office. It is the intent that the authorized collector present at the bid opening will be representing the Contracting Officer rather than the Disbursing Officer. In this capacity the authorized collector will either return checks to unsuccessful bidders within 48 hours after the bid opening, or

1 Apr 69

transmit the checks to the Finance and Accounts Office, as directed by the Contracting Officer. No entries in the Cash Receipts and Deposits Register will be made until after expiration of 48 hours when the checks which have not been returned to unsuccessful bidders are turned over to the Assistant to Finance and Accounting Officer for deposit. Normally, bank deposits will be made by the Assistant to Finance and Accounting Officer rather than the collector. However, in cases where the collector is located away from the district office and is authorized to deposit money in a bank for the disbursing officer, the entries in the Cash Receipts and Deposits Register for the collections and deposits will be made by the Assistant to Finance and Accounting Officer from the Remittance Register and a properly signed copy of Certificate of Deposit received from the Collector. The Remittance Register related to each bid invitation will be assigned an accounts receivable bill number and used as posting medium for a one line entry to the Cash Receipts and Deposits Register and for individual entries to records maintained by remitters under account 861, Unapplied Deposits. The collector will furnish the Finance and Accounts Office the original and copy of Remittance Register accompanied by signed receipts or copies of letters of transmittal accounting for the return of checks to unsuccessful bidders. The copy of the register will be receipted and returned to the collector. One copy of the register will be furnished to the accounting element directly by the collector.

(5) Canceled Checks. The treatment to be accorded canceled checks is covered by 7 GAO 6400. Cancellations will apply only to checks which have been taken into the accounts as "issued". It will not apply to "voided-no-issue" checks which have not been taken into the accounts. Standard Form No. 1098-Revised, Schedule of Canceled Checks, will be used in scheduling checks to disbursing officers for cancellation. Schedules of canceled checks will be submitted to the disbursing officer currently disbursing for the station, even though such officer may be the successor to the disbursing officer originally issuing the checks. Standard Form 1098 serves as the supporting document to ENG Form 3006a which is prepared and processed through the Accounts Receivable Register in the normal manner. Simultaneously, Standard Form 1098 also serves as the media for posting to the Cash Receipts and Deposits Register.

4-7. Intra-District Transfers. a. Where there are financial transactions between Civil fund accounts in the same district, special handling of collections and disbursements is provided for in the Disbursing Officer's books of accounts. Inasmuch as these transactions involve Civil accounts within the same disbursing station, a "no-check drawn" procedure has been established. This provides that in settlement of

intra-district accounts for receivables and payables no checks need be drawn in settlement thereof. The Cash Receipts and Deposits Register and Cash Disbursements Register each have provision to enter these intra-district transactions as "no-check drawn" items, the effect of which is to adjust the funds in the books without the necessity of issuing a check for the disbursement from one fund and depositing the same check to the credit of another fund. Transactions between Civil and Military accounts of the same district are settled by drawing of a check.

b. This procedure does not apply to inter-district and inter-agency transactions which will in all cases be settled by drawing of a check.

4-8. Cash Receipts and Deposits Register (ENG Form 3002).

a. General. Only one Cash Receipts and Deposits Register has been designed for all civil activities. Where an Assistant to the Finance and Accounting Officer is designated to receive and deposit collections, the designee will maintain the Cash Receipts and Deposits Register and furnish monthly summary journal vouchers to the accounting unit for posting to the general ledger accounts, except that during critical periods journalizing and posting may be accomplished more frequently at the discretion of the District Engineer. Internal control exists through the receipt by the accounting unit of the abstract of remittances direct from authorized collectors, control of the collected and uncollected accounts receivables files, and control by other than the cashier of prenumbered cash receipt blanks, etc. The register will be used to record all cash received regardless of appropriations, deposit funds, or general funds affected. In addition to recording all cash receipts and deposits, those intra-district transactions where no checks are issued or received will be entered to effect the appropriate adjustment to the funds within the same district. Posting media to this register include (1) paid billing documents, Standard Forms 1080 and 1114 (or receipts), including SF 1114 covering available special and trust funds, (2) Schedule of Withdrawals and Credit between Appropriations and/or Funds, Standard Form 1081, (3) Schedule of Canceled Checks, Standard Form 1098, (4) Bureau Voucher (for Cost Transfers) ENG Form 3006a covering intra-district transactions and collections received in advance of billing, (5) bank deposit slips, and (6) others, as appropriate. (Note: After entry in this register Standard Form 1114 covering available special and trust funds is entered in the appropriate allotment ledger (see Chapter 5) and the amount will be immediately available for obligation without receipt of allotment advice from the Chief of Engineers.) Monthly summaries of the register will be made on ENG Form 3007a and posted to the general ledgers. Further elaboration of this procedure is treated in subparagraph c, Register Closing, below:

b. Description of ENG Form 3002.

Column (a) - Date

Column (b) - Reference

Columns (c) (d), & (e) - Disbursing Officer's Deposits for
Official Credit (column (c) - Deposit No.)
(column (d) - Date)
(column (e) - Amount)

(Note: This part of the register is for recording data solely for the information of the Disbursing Officer and is not a part of the self-balancing procedure which applies to the remainder of the register. Posting of the amount column is made monthly to Chart D Accounts,

* Debit to G. L. Account 814 and Credit to G. L. Account 813).

Collections

* Column (f) - Collections Undeposited, G. L. Account 813

Column (g) - Intra-District Transfer, G. L. Account 844

(Note: This amount must be in agreement with the Intra-District Transfer column of the Cash Disbursements Register, ENG Form 3001.)

Distribution

Column (h) - Appropriated Funds - 96X4902 Revolving Fund Repayments.
Column (h) is a credit to Account 844.2 (96X4902 Revolving Fund). Column (h) is also a debit to Account 310 (96X4902 Revolving Fund) and credit to Account 313.

Columns (i) & (j) - Appropriated Funds - Refunds and Reimbursements - 96X3122 Construction, General. Columns (i) and (j) are credits to Account 844.2 (96X3122 Construction General). Columns (i) & (j) are also debits to Account 110 (96X3122 Construction, General). Column (i) is a credit to Account 113.3, Column (j) is a credit to Account 113.4.

Columns (k) & (l) - Appropriated Funds - Refunds and Reimbursements - 96X3123 Operation and Maintenance, General. Columns (k) & (l) are identical with Columns (i) and (j) above, except for the different appropriation involved.

Columns (m) & (n) - These columns are likewise available to record refunds and reimbursements to the most active fund in the district other than Construction, General and Operation and Maintenance, General, which are specifically provided for. Entries to accounts are identical with those for Columns (i) & (j), except for the different appropriation involved.

- Columns (o), (p) & (q) - These columns are also available to record refunds and reimbursements to any other funds being repaid in the district. Entries are obtained by selective addition. Column (o) is for the fund symbol, Column (p) is for the G. L. Account Number to be credited, i.e., 113.3 or 113.4 and column (q) is for the amount. Credit postings are to Account 844.2 for the appropriation involved in the Chart "D" Accounts; and debit to Account 110, with appropriate credits to other accounts in Chart B.
- Column (r) - Deposit Funds - 96X6875, Suspense, Department of the Army. This column is a credit to Account 844.2; a debit to Account 147 (or 347), with credit to Account 113.2 (or 313), and a debit to Account 852 with contra credit to Account 861.
- Columns (s), (t) & (u) - Unavailable, General, Special and Trust Funds for deposit in the U. S. Treasury. Column (s) is for the fund symbol number, column (t) is for the General Ledger Account number to be credited, i.e. 113.1 or 313 and Column (u) is for the amount. Credit posting is to Account 844.2 in the Chart D Accounts and debit to Accounts 135 and 335.
- Columns (v), (w), (x) and (y) - Other Accounts - These columns will be utilized to reflect all transactions which are not provided for elsewhere in the register. Column (v) is for Appropriation or Fund Symbol, Column (w) for the amount of any debits, Column (x) for the G. L. Account, and Column (y) for the amount of any credits. Entries to the General Ledgers will be obtained by selective addition.

c. Register Closing. The Cash Receipts and Deposits Register is a multiple-purpose book of original entry serving Chart B - General, Special, and Trust Fund Activities, Chart C - Revolving Fund Activities, Chart D - Local Disbursing Officer Activities, and Chart E - Deposit Fund Activities. Summaries of transactions recorded in the registers will be made and posted to the accounts of all charts. All entries will be prepared on Journal Entry (Summary of Registers), ENG Form 3007a. Amounts to be debited and credited to the general ledger accounts will be developed either directly from columnar totals or by selective addition and recapping of those columns containing amounts classified to more than one account. Proforma entries are included in Chapter 2 to illustrate typical journal entries from this register.

1 Apr 69

4-9. Disposition of Collections. Disposition of collections depends upon their availability or non-availability for expenditure. Specific laws cover collections, which are also covered generally in paragraph 4-1d. Receipts from sale or disposal of property which are not required by law to be deposited to the Treasury as general fund receipts are creditable to the appropriation then current for the project. For example, when the construction of a project is physically and financially completed, such receipts are for credit to the appropriation, Operation and Maintenance, General. The handling of real estate collections and treatment of collections for the sale of Government publications are covered by paras 4-9e and 4-9f.

a. Available and Unavailable Special and Trust Fund Receipts. Special and Trust Receipts are classified into two categories which govern the treatment given them in the accounts. They are:

(1) Available Receipts. (a) Available Receipts are defined as receipts of special or trust funds which pursuant to law or trust agreements are immediately available in their entirety as appropriations without further action by the Congress. Such receipts are immediately available to the collecting installation for obligation and expenditure without further action by the Chief of Engineers. The most common types of available special or trust fund receipts collected by Corps of Engineers Districts are funds contributed or advanced by local interests.

(b) Theoretically, collections of such special and trust funds are covered into the Treasury by receipt symbol number, appropriated by the Congress to the Corps of Engineers, and allotted to the installation by the Chief of Engineers, by appropriation symbol number. In practice, however, the procedure is simplified by giving the collection at the installation level the same accounting treatment as an advance of allotment received, citing the appropriation account symbol (e.g. 96X8862).

Accordingly, in order that the records of the Treasury and the Office, Chief of Engineers may reflect the transaction, the collection will be reported on SF 1220 "Statement of Transactions According to Appropriations, Funds and Receipt Accounts" and "Receipts" to receipt account symbols 968862 or 968869 as appropriate.

(c) Collections of available special and trust fund receipts will not be considered as collections of accounts receivable; instead, they will be taken up directly in the Cash Receipts and Deposits Register as debits to account 110 Funds with Treasury and as credits to 143 Advances Received for Construction and Operation and Maintenance. The amounts of available receipts will be debited to account 131.26 Available Special and Trust Fund Receipts Deposited and Credited to 131.21 Unobligated Allotments. The amount of the collection will be posted in the "Fund Authorized" column of the appropriate allotment ledger. For refunds of unexpended balances of trust funds, see paragraph 3-5c.

(2) Unavailable Receipts, are defined as receipts which at the time of collection are not appropriated, and receipts which are not immediately available for expenditure because (a) further action by the Congress is required or congressional limitation has been established as to the amount available for expenditure or (b) amounts credited to receipt accounts are later to be cleared in whole or in part to other receipt accounts before appropriation warrant action is taken. No special scheduling action is required for the unavailable receipts; however, they will be credited to the appropriate receipt symbol.

b. Consolidated Working Fund Receipts. (Reference paragraph 5-10). Each allotment of consolidated working funds will be accompanied by a check with copy of SF 1080 or SF 1049. The allotment will be entered in the Chart B ledger and the allotment ledger. The Check will be recorded in the Cash Receipts and Deposits Register as a debit to account * 813 and a credit to 844.2, without any effect on the Chart B ledger. A footnote will be included on the SF 1220 in which the receipt is reported, showing the amount thereof reflected in "Net Disbursements". For refunds of unexpended balances of consolidated working funds, see paragraph 3-5d.

c. Receipts During Construction of Projects. (1) As long as a project is classified as being in a construction status certain proceeds from rentals and sales incidental to the administration of town-site activities are creditable to the appropriation financing the project. These include rental of houses and dormitory quarters occupied by Government employees, contractors' employees, concessionaires, school instructors, etc., rental of buildings for various types of concessions, whether on lump sum or fixed minimum rental plus a

*

4-31

4-9b

percentage of gross income; rental of refrigerators, stoves, etc; sale of utility services such as electricity, gas, oil, water, etc; collections for garbage and trash disposal services; and use of community buildings (bathing, toilet and clothes washing facilities) by house trailer occupants. The above types of receipts, whether accounted for as appropriation reimbursements or as payroll droppages for quarters and subsistence deductions, are related to the construction facilities which support the construction work.

(2) All receipts derived specifically from rentals of land, including space for house trailers of Government or contractor employees, and sale of land, will be deposited to the general fund of the Treasury.

d. Receipts During Operation of Projects. (1) After a project is placed into operations, receipts derived from rentals or grants of real property (land and/or structures), and sale of land, will be credited to the general fund of the Treasury, excluding payroll deductions (droppages) for quarters.

(2) All other receipts will be classified as droppages (payroll deductions for quarters and subsistence) or as appropriation reimbursements, except payroll deductions for electric energy furnished to occupants of Government quarters when it is required that such receipts be deposited to the general fund of the Treasury.

e. Real Estate Collections. (1) (a) Proceeds from the out-leasing of lands (grants) acquired by the United States for flood control, navigation, and allied purposes, including the development of hydroelectric power, (except lands taken from public domain or lands acquired by the U.S. for purposes other than water resource development) are for deposit to special fund receipt account 965090- "Receipts from leases of land acquired for flood control, navigation, and allied purposes".

(b) Since a portion of the amount deposited to Account 965090 is returned to states at the end of each fiscal year, only the amount to be earned in the current fiscal year will be credited to 965090, except as provided in sub-paragraph (c) below. As collections are received from outleasing, that portion of the collection which will be earned prior to the end of the current fiscal year will be immediately deposited to Account 965090 in the Treasury and the income treated as earned in the installations' accounts. Such action will be taken whether or not the grant provides for remission of unearned amounts in the event of cancellation by the Government. The remainder of the collection which will be earned in a future fiscal year will be retained in the deposit fund suspense account until the beginning of the fiscal year in which it will be earned and then transferred to Account 965090 and recorded as earned income at that time in the installations' accounts.

(c) Where the lease period covered by a collection extends beyond the current fiscal year, and the portion of the col-

lection applicable to future fiscal years is \$50 or less, the total amount of the collection will be taken up as current fiscal year earnings and deposited directly to Account 965090.

(d) Should a grant, which provides for the remission of unearned amounts in the event of cancellation be canceled, the unearned amount which had been credited to account 965090 will be transferred to the suspense account utilizing a SF 1097 as provided for in 7 GAO 4400. The remission of the unearned amount will be charged to the suspense account. The adjustment from account 965090 to the deposit fund suspense account will be reported on the current months' SF 1220.

(e) A record will be maintained to show by state, county and project the receipt credited to 965090 for each fiscal year. This record will contain the reference to the voucher covering disbursements to the various states. The voucher reference will be furnished by the Chief of Engineers when such disbursements are accomplished.

(2) Collections applicable to an unavailable receipt account other than 965090 will be credited directly into the appropriate receipt account regardless of whether or not the grant provides for remission of unearned amounts in event of cancellation by the Government. Such collections include revenue from outleasing of lands (grants) taken from the public domain, or lands originally acquired by the U. S. for purposes other than water resource development. In the event a grant is canceled and a refund is required to be made to the grantee, adjustment procedures prescribed in 7 GAO 4400 will be followed utilizing the deposit fund suspense account to receive the adjustment and to charge the refund.

f. Receipts from Sales of Government Publications.

(1) Proceeds received from the sale of publications authorized by Public Law 85-480, approved 2 July 1958 will be deposited as follows:

(a) Where reproduction costs are borne by the Revolving Fund, monies received from the sale of such publications will be credited to the Revolving Fund.

(b) Where reproduction costs have been borne by other than the Revolving Fund, monies received from the sale of such publications will be deposited to General Fund Receipts

ER 37-2-10
Change 10
20 Oct 70

(2) Amounts received from potential bidders for plans and specifications furnished under the provisions of paragraph 2 on the reverse of Standard Form 20 (Invitation for Bids), prescribed by paragraph 16-401.2(a), ER 1180-1-1, are not defined as receipts from publications covered by (1) above and will be credited to the appropriation (or the Revolving Fund) which was charged with the cost of reproduction. Where the reproduction is financed initially from the Revolving Fund, sales to potential bidders should be made and the receipts credited to the Revolving Fund prior to transfer of the net reproduction costs to the project. If sales occur after the project has been charged, amounts received therefor are credited to the project previously charged and accounted for as expenditure refunds.

33a

4-9f(2)

ER 37-2-10
Change 10
20 Oct 70

g. Collections from Contractors for Underpayment of Wages.

(1) Where violation of the Davis-Bacon Act or the Work Hours Act of 1962 (PL 87-581) has been detected, sufficient funds will be withheld from contract payments and retained in Deposit Fund Account 96X6875 pending restitution to the employee by the contractor, or other action as follows:

(a) Where the contractor fails to make restitution, or if any of the employees involved cannot be located, SF 1093 will be prepared and check drawn in favor of the Treasurer of the United States to cover the total amount shown on the form.

• (b) Cases within the scope of ASPR 18-704.13(b) and (c) will be submitted through the Chief of Engineers with one exception noted below. With respect to ASPR 18-704.13(b), (voluntary restitution is not made by the contractor) the report of investigation shall be forwarded to ENGGC-L and the SF 1093 and accompanying check to ENGEC-FA. Concerning ASPR 18-704.13(c) (restitution not made because employees cannot be located), a brief summary as required by para 12-404.13(c), ER 1180-1-1 will be furnished with check and SF 1093 to ENGEC-FA, with copy of SF 1093 and summary to ENGGC-L. In cases where the violations total less than \$500.00 and the contracting officer has found them to be neither willful nor aggravated, the SF 1093 with check and completed notation (specified at end of ASPR 18-704.13(c)) shall be processed directly from the disbursing office to the General Accounting Office. An information copy of SF 1093 with completed notation should be furnished ENGGC-L. •

(2) All amounts of liquidated damages assessed contractors under the Work Hours Act of 1962 will be retained as undelivered orders in the project allotment account until final determination has been made as provided in the Act. Where the liquidated damages are contested by the contractor under Section 104 (c) of the Act, the obligation will be cancelled upon receipt of the order issued by the Chief of Engineers affirming the administrative determination; or in a case where relief is recommended, the obligation will be adjusted in accordance with decision received from the Secretary of Labor. In a case where the contractor does not contest the assessment of liquidated damages, the obligation will be cancelled upon expiration of the sixty days allowed for submission of an appeal.

h. Collections by Another Agency.

* (1) The provisions of 7 GAO 3070 and 15.2 will be followed in the processing of collections by another agency for the accounts of a district office. Either procedure elected to be followed by the collecting agency will be acceptable. Arrangements for furnishing any desired data describing the collections should be made directly by the District Engineer with the collecting agency.

* (2) Pursuant to the Federal Power Act (FPA) as amended (16 USC. 792-825R) the Federal Energy Regulatory Commission (FERC), formerly Federal Power Commission, levees fees for private licensees to construct, operate and maintain dams, conduits, and reservoirs. These fees are deposited into the general fund of the Treasury of which fifty percent are warranted back to the Corps of Engineers by the Treasury under 96X5125. The FPA also provides that FERC shall determine and collect fees from private licensees as a result of head-water improvements constructed by the Corps of Engineers. One hundred percent of these funds are warranted by the Treasury to the Corps under 96X5125. Annually FERC notifies OCE of amounts deposited under 96X5125 by project and OCE, in turn, notifies FOA's for recording in project accounts. *

i. Voucher Deductions. Receipts through voucher deductions are not generally taken up as collections of accounts receivable. Voucher deduction receipts are in effect reductions of amounts payable. They reflect income or cost reductions offsetting the differences between amounts owed and gross payable.

j. Set-off Deductions. When an office has an uncollectible account, and subsequently the debtor has an amount due him, partial or complete collection of the delinquent account will be accomplished by set-off from the amount due the debtor.

k. Collections of Recreational User Fees. Collections of User Fees turned in by Recreational Fee Cashiers in accordance with para 4-6b(2) (b) on Form 3313 will be deposited to Special Receipt Account 965007. Each transmittal (ENG Form 3313) will be verified to assure that the amount for each item stated thereon is correct, based on the quantities and related serial numbers shown at the applicable unit prices. Receipts from project locations will be reflected in project accounts (Dr: GL 135.1, Cr: GL 162). Proceeds from sales of permits at District and Division offices will be recorded in the Revolving Fund (Dr: GL 335, Cr: GL 338).

4-10. Doubtful Accounts and Claims Receivable.

a. Doubtful Accounts. Instructions regarding the following accounts will be carefully observed in order that the unobligated balances of project funds may be properly stated, and to prevent accrual of operating losses in the Revolving Fund by timely recoupment of any probable losses of income through increased charges for operations performed.

(1) Project Funds. When collection of an account receivable applicable to project funds becomes doubtful, it will be immediately reclassified as a Claims Receivable, subject to the availability of sufficient unobligated balance of pertinent project funds. If an overobligation would result, an allotment will be requested in the amount necessary to cover the reclassification. The reclassification will be accomplished by Bureau Voucher for Cost Transfers, ENG Form 3006a processed in the normal manner. The General Ledger section of the voucher will show Claims Receivable as the account to be debited and Accounts Receivable as the account to be credited. The Cost and Subsidiary Ledgers section of the voucher will show cost account 49 or 649 Claims Receivable to be debited. Claims Receivable will be retransferred to an Accounts Receivable status upon collection.

- * (2) Revolving Fund. In case a doubtful account receivable (in a significant amount) is attributable to an income transaction, action should be taken to adjust charges for the respective operation to absorb the estimated unrealizable income rather than to defer such action until the actual income loss has occurred.

b. Claims and Uncollectible Accounts.

(1) It is the direct responsibility of the District Engineer or other official under which the transaction arose to effect collections due in connection with any Corps of Engineers activity. Finance and Accounting Officers' collection procedures should be comprehensive, vigorous and uniformly applied in accordance with Part 102 of AR 27-40.

(2) Delegation of authority is contained in AR 27-40 for the Chief of Engineers to effect compromise on claims that do not exceed \$20,000. Section 70, Part 4 of ER 1180-1-1 redelegates to the Division Engineer authority to compromise, suspend, or terminate collection action on claims of \$10,000 or less and to the District Engineer on claims of \$5,000 or less.

(3) Items on which collection action has been taken in accordance with Title 4, Chapter II, Code of Federal Regulations (Appendix D, AR 27-40) and AR 27-40 which remain uncollected and cannot be terminated, compromised, or suspended under the provisions of those regulations, will be considered uncollectible for the purposes of this regulation. The collection program of the Corps of Engineers Civil Works functions and activities will be consistent with the principles and standards outlined in 4 GAO Chapter 8 and AR 27-40. Transportation debts will be determined to be uncollectible and reported to the General Accounting Office in accordance with 5 GAO 5040.25.

(4) Except for those uncollected accounts terminated by the delegated authority in paragraph 4-10b(2), uncollectible accounts in amounts of \$100 or more, or a series of smaller debts involving the same debtor totalling that amount which remain uncollectible after exhaustion of collection action, will be reported to the General Accounting Office, through the appropriate Division Engineer in accordance with the provisions of 4 GAO 56.3. With respect to the Hold-up List of contractors indebted to the United States maintained by the Finance and Accounts Office, U. S. Army, actions required by 4 GAO 61 and 62 will be taken by the office concerned through the appropriate Division Engineer. The civil appropriation to be credited will be cited in the submission. Debt reports representing delinquent rental for loans, involving payment to States under provisions of the Flood Control Act of 28 June 1938, as amended, will include information as to the State to receive credit in event any amount is collected by the General Accounting Office.

(5) Debts in any amount which are the subject of GAO Notices of Exception and which remain outstanding in the accounts of the Disbursing Officer will be reported in accordance with 4 GAO 56.6(2).

(6) When a receivable is deemed to be uncollectible, a determination will be made as to the activity or function in relation to which the account was established. Under the Revolving Fund, such receivables are generally attributable to operating income or insurance transactions. The uncollectible amounts applicable to operating income, will be charged to the appropriate expense accounts. Normally such amounts can be absorbed during the current fiscal year without distorting operating charges for work performed; however, if such a method distorts current operations, an uncollectible item may be charged to a deferred account and absorbed within a reasonable period of time into operating expenses on an equitable basis. Similarly, when it is determined that the uncollectible item has been generated by an activity, function, or feature under an appropriation other than the Revolving Fund, the amount will be charged to the applicable cost and general ledger accounts with contra credit to the related claims receivable cost and general ledger accounts. Uncollectible accounts originating in projects will not be transferred to the Revolving Fund. The above instructions will be carefully observed in order that working capital of the Revolving Fund and the unobligated balances of projects are properly stated.

c. Waiver of Claims of the United States Arising out of Erroneous Payments of Pay to Civilian Employees.

* (1) Pursuant to Public Law 90-616, 82 Stat. 1212, as amended by Public Law 92-453 and AR 37-34, dated 1 Aug 74, applications for waiver of erroneous payments of pay to civilian employees of the Corps of Engineers will be submitted in accordance with para 6b of AR 37-34. Only those applications where the erroneous payment was charged to Civil Functions funds of the Corps of Engineers will be submitted to the Chief of Engineers, ATTENTION: DAEN-ECF-A.

(2) The application for waiver (in duplicate) will be prepared and submitted in accordance with para 8, AR 37-34.

(3) Reports of Investigation.

(a) The application will be supported by the report of investigation (in duplicate) required by para 8 of AR 37-34 and submitted by the commanding officer of the installation or activity at which the employee was employed at the time the erroneous payment was made. Each report of investigation should consist of the information required by Section 92.2 of the Appendix to AR 37-34. With respect to 92.2(b)(1), thereof, the aggregate (gross) amount of the overpayment, showing DO Voucher, Station Number, and the gross part which was erroneously paid will be broken down to show deductions for retirement, FICA, life insurance and net pay to employee.

(b) Where the employee has not repaid any of the overpayment, a statement should be furnished to so indicate and also whether any adjustment has or has not been made for the deduction items. If an adjustment has been made, a recapitulation thereof should be furnished showing citation to DO Voucher and Station Number. In the event the employee has repaid all or a part of the overpayment, a recapitulation is required showing by DO Voucher and Station Numbers the application of the amount repaid, including adjustment of deductions for retirement, FICA, and life insurance.

(4) Approved waivers of claims of the U. S. for erroneous payments will be forwarded by indorsement by serviced installations to the servicing payroll office for refund action and/or filing with the payroll records. The installation and OCE (DAEN-ECF-A) will be furnished a copy of the SF 1034 or a payroll extract (gross through net) with the DO Voucher and Station Numbers and date refund was made.

(5) Concerning applicability of deductions to waived amounts, Public Law 90-616, USC 5584(e), provides that "an erroneous payment, the collection of which is waived under this section, is deemed a valid payment for all purposes." The implementing regulations (Title 4 CFR 93.2) have the same effect. Where waiver has been granted, retirement, FICA, and insurance deductions, if any, are proper if otherwise appropriate. *

4-11. Claims Receivable.

a. General. General ledger account 114, Claims Receivable, is provided to represent those bills or balances thereof, which may not be collectible because of pending or subsequent litigation or adjudication or other reasons. Also, the balance of any other bill which was charged to an Accounts Receivable account will be transferred to Claims Receivable account if and when its collection becomes doubtful, in whole or in part, (para 4-10). In either circumstance, Claims Receivable bills will be reclassified as Accounts Receivable upon collection and will be so treated in registers.

b. Form, Numbering, Registering, and Filing. Claims Receivable will be documented on the same forms as are prescribed in this chapter for accounts receivable and will be numbered and registered in the same series. Pending collection, bills representing Claims Receivable will be filed separately from those representing Accounts Receivable. After collection they will be filed in one continuous series.

c. (Reserved)

4-12 Settlement of Accounts for Payroll Financing.

a. General. Settlement of inter-district accounts arising from central payroll processing will be accomplished without the use of formal billing procedures involving preparation of Standard Form 1080 and without payment by check. Settlements will be accomplished by transferring funds between offices by the use of ENG Form 3007 as stated below.

b. Actions by Serviced Districts. (1) Prior to disbursement of payrolls by the central payroll office, the serviced districts will process ENG Form 3007 debiting general ledger account 345 (cost acct. 493.1 for estimated payroll and 493.6 for gross severance pay entitlements) and general ledger account 415 (cost acct. 447.-) for estimated government contributions. General ledger account 310 will be credited for these amounts. A copy of this ENG Form 3007 will be transmitted to the central payroll office for receipt prior to disbursement of the payroll. Any difference between estimated amounts and actual costs will be adjusted by serviced districts on the ENG Form 3007 for the next payroll following receipt of adjustment information from the central payroll office (para 4-12c). Adjustments covering the difference between severance payments and gross entitlement will not be processed unless payments are terminated prior to liquidation of gross entitlements.

(2) (Reserved)

c. Actions by Central Payroll Offices. Central payroll offices will maintain a separate 491.- series account (GL 343) for each serviced district, (except for the servicing office). This account will be debited with payrolls, severance payments, and government contributions (personnel benefits) applicable to the district for which maintained. Upon receipt of ENG Form 3007 (copy) from a serviced district, the central payroll office will debit general ledger account 310 and credit general ledger account 343 (cost account in 491.-series) for amounts shown thereon. Each pay period, the central payroll office will furnish each serviced office copies of DA 2449 and SF 1136, which will indicate gross earnings, government contributions, deductions, etc. Central payroll offices will assure that they have received and recorded all transfers of funds processed in the same quarterly reporting period by the serviced districts. Undeliverable checks of deceased employees and settlements of claims for unpaid compensation

ER 37-2-10
Change 11
18 Feb 71

due deceased employees will be credited and/or charged to advance accounts of the applicable installation. A copy of SF 1185 and SF 1154 will be furnished the affected installation Finance and Accounting Office.

d. Internal Operations of Central Payroll Districts. Transfers of funds from projects to the Revolving Fund, labor distributions, and recoupment of costs will be processed as indicated in para 4-12b for serviced districts. At the time accounts payable are established for payrolls payable, contra charge will be applied to applicable accounts in the 491.- series. If credit balances in these accounts are not adequate, excess amounts will be charged to accounts 313 or 317 and recouped by collection action.

4-12d

40

CHAPTER 5

FUND ACCOUNTING AND CONTROL PROCEDURES

<u>Topic</u>	<u>Paragraph</u>
General	5-1
Appropriation Structure	5-2
96X4902 Revolving Fund, Corps of Engineers	5-3
Policy of Appropriation Control	5-4
Policy of Apportionment Control	5-5
The Allotment System	5-6
Allotment Accounts	5-7
Work Allowance Ledgers	5-8
Escrow Ledgers	5-8.5
Administrative Control of Funds	5-9
a. Prevalidation of Obligations	
b. Legislative and Administrative Limitations	
c. Revolving Fund	
Work for Other Agencies	5-10
Work Performed by Other Government Agencies	5-11
Minor Completion Items	5-12
Lapsed Appropriations	5-13
Accrual Principle of Fund Control	5-14
Accounting Control	5-15
a. General	
b. Disbursing Section	
c. Examination Section	
d. Finance Accounting Section	
e. Cost Accounting Section	
(Reserved)	5-16
(Reserved)	5-17
Reservation of Funds	5-18

ER 37-2-10

Change 9

27 Jul 70

Topic

Paragraph

5-19

Obligation Documents and Method of Treatment

- a. Internal Transactions
- b. Prerequisites for Recording
- c. Continuing Contracts
- d. (Reserved)
- e. (Reserved)
- f. (Reserved)
- g. Rental Agreements - Nominal Consideration
- h. Travel
- i. Miscellaneous Obligation Documents
- j. Partial Payment Record
- k. Undelivered Orders Files

Obligations Liquidated

5-20

Accrued Expenditures

5-21

Register of Obligating Documents

5-22

Journal Entries

5-23

- a. Preparation
- b. Register of Journal Entries

Allotment Ledger - Description and Operations

5-24

- a. Ledger Forms
- b. Detail Posting
- c. General Ledger Postings
- d. Trial Balance
- e. Fiscal Year Opening Procedures

Work Allowance Ledger - Description and Operations

5-25

- a. Ledger Forms
- b. Detail Posting
- c. Summary Posting to Allotment Ledger
- d. Trial Balance
- e. Fiscal Year Opening Procedures

(Reserved)

5-26

Object Classification

5-27

- a. Codes
- b. (Reserved)
- c. Records

3-0

11

<u>Topic</u>	<u>Paragraph</u>
Review of Unpaid Obligating Documents	5-28
Apportionment Control	5-29
a. General	
b. Authorizations	
c. Records	
d. (Reserved)	
e. Reapportionment Requests	
Application of Appropriated Funds	5-30
Appropriation Reimbursement Activity	5-31

CHAPTER 5

FUND ACCOUNTING AND CONTROL PROCEDURES

5-1. General. This chapter contains the administrative control of funds system for Civil Works activities of the Corps of Engineers designed to comply with the requirements of subsection (g) of Section 3679, as amended, known as the Anti-Deficiency Act (31 U.S.C. 665) and instructions of the Bureau of the Budget. It prescribes a system designed to:

a. Control apportioned funds by restricting obligations or expenditures to the amount of apportionments.

b. Enable responsibility to be fixed for the creation of an obligation or for the making of any expenditure in excess of an apportionment or an allotment issued in subdivision thereof.

c. Provide for subdivision of apportionments by allotments to field installations at the appropriation or statutory limitation level, where applicable, and the maintenance of allotment records thereof.

d. Provide for subdivision below apportionment control levels at the category, class and project level which are classed as work allowances and are necessary in effectively administering work programs. Also to provide for maintenance of necessary work allowance records to reflect current status. (ER 11-2-101 prescribes methods of establishment and approval of such work allowances.) These work allowance subdivisions are to be distinguished from allotments and apportionment control procedures established to control apportionments pursuant to be provisions of Section 3679, Revised Statutes.

5-2. Appropriation Structure. As described more completely in ER 11-2-101, the appropriation structure generally provides for the following appropriations each covering certain project classes:

96X3112 Flood Control, Mississippi River and Tributaries
96X3121 General Investigations, Corps of Engineers, Civil
96X3122 Construction General, Corps of Engineers, Civil
96X3123 Operation and Maintenance, General, Corps of Engineers, Civil
96() 3124 General Expenses, Corps of Engineers, Civil, (19__)
96X3125 Flood Control and Coastal Emergencies
96() 3138 U.S. Section, St. Lawrence River Joint Board of Engineers, Corps of Engineers, Civil
96X8862 Rivers and Harbors Contributed Funds
96X8869 Rivers and Harbors Advance Funds
96X5066 Hydraulic Mining in California, Debris Fund
96X5125 Maintenance and Operation of Dams and Other Improvements of Navigable Waters

From time to time, three-digit decimal limitation symbols may be applied to the foregoing appropriation symbols to cover certain specific statutory limitations established by the Congress. Definitions and instructions for their use will be furnished on advices of allotment or by separate correspondence in each specific instance.

5-3. 96X4902 Revolving Fund, Corps of Engineers. The Revolving Fund operates under the provisions of the Civil Appropriation Act, FY 1954, Public Law 153, 83d Congress, approved 27 July 1953, and it is not required that allotment accounts for it be maintained for unobligated balances, undelivered orders, reimbursements or expended appropriations. Control of activities under the Revolving Fund is covered in ER 11-2-101 and in Chapter 7 of this regulation on Revolving Fund cost accounts. In this chapter, therefore, procedures for appropriation and allotment accounting refer to the General, Special and Trust Fund appropriations and are not applicable to the Revolving Fund unless specifically stated.

5-4. Policy of Appropriation Control. Appropriation control is maintained by accumulating in the general ledgers the total appropriations made by Congress. This is accomplished by the use of allotment accounts to support and control allotments received. The system of allotment accounts is designed to assist in control of funds in order to prevent the overobligation of appropriations as authorized by the Congress. The system also provides control data to prevent overobligation of approved appropriation apportionments.

5-5. Policy of Apportionment Control. Apportionment of appropriations is made by the Bureau of the Budget for obligations to be incurred for a Congressional appropriation and anticipated appropriation reimbursements, on a cumulative current fiscal year basis by quarters. To control obligations and reimbursements incurred within the Corps of Engineers to the amount of the quarterly apportionments, an authorization by appropriation on ENO Form 3010, Apportionment Schedule, is issued to each Division Engineer to cover project and activity obligations and appropriation reimbursements for the Division-wide activities under the appropriation. The Division Engineer in turn issues ENO Form 3010 to each District Engineer to cover the District activities under the appropriation. Procedures for issuance of such authorizations and for control of obligations and appropriation reimbursements are contained in paragraphs 5-29 and 5-31.

5-6. The Allotment System. Allotments of appropriated Civil funds will be made to the District Engineer by the Chief of Engineers in bulk at the appropriation level. The amount of the allotment is available for obligation and expenditure for any item of work contained in an approved work allowance established or revised in accordance with ER 11-2-101. While the amount of the appropriation allotted usually covers the entire fiscal year, obligations will be controlled to stay within the quarterly apportionment limitation by utilizing procedures prescribed and referred to in paragraph 5-5 above.

5-7. Allotment Accounts. Allotment accounts are an integral part of the over-all accounting system. They constitute the subsidiary accounts for the general ledger accounts for unobligated allotments, undelivered orders, appropriation reimbursement activity, and expended appropriations for the current fiscal year. An allotment ledger has been devised for this purpose and will be maintained at appropriation level to disclose the status of allotments of appropriated funds made by the Chief of Engineers at that level. A separate allotment ledger will be maintained at appropriation level for appropriation reimbursement activity. Allotment ledgers serve to insure compliance with the provisions of the Anti-Deficiency Act, Section 3679, Revised Statutes, as amended, which prohibits expenditures or obligations for the future payment of money in excess of the amount appropriated by the Congress or apportioned by the Bureau of the Budget. Detailed operating procedures are contained in para 5-24.

5-8. Work Allowance Ledgers. a. Since it is necessary to develop obligation and accrued expenditure data at the levels below the appropriation or allotment level to effectively administer work programs and to furnish necessary data to the Congress, Bureau of the Budget and the Chief of Engineers, work allowance ledgers will be maintained at the activity or project level to reflect the amount of the approved work allowance and the status of the allowance. These work allowance records establish targets for subdivisions or classifications below apportionment control levels and are to be distinguished from allotment records established for the purpose of controlling apportionments and appropriations pursuant to the provisions of Section 3679, Revised Statutes, as amended. For accounting convenience and proper utilization of accounting machine capabilities, summary totals of documents posted in detail to the work allowance ledgers are accumulated at this level and posted in total to the Allotment Ledgers. Detailed operating procedures are contained in paragraphs 5-25 and 5-31.

b. The amounts of work allowances to be posted to the work allowance ledgers will be the amounts approved as work allowances, or revisions made thereto, in accordance with the policies prescribed in ER 11-2-101, and paragraph 5-31 of this regulation. It is the responsibility of the District Engineer (or through his delegated representative) to see that various PB Work Program documents are kept in a current revised and approved status. ENG Form 3007 will be used to document the approved amounts to be posted to the work allowance ledgers.

5-8.5. Escrow Ledgers. Contributed or advanced funds and securities deposited in escrow pursuant to authority contained in ER 1140-2-301, are available for obligation. Usually funds in escrow, including those in an obligated status, will be withdrawn by the District Engineer for deposit into the Treasury in increments as needed for payment of current portion of contractors earnings and S&A costs chargeable to contributed or advanced

funds. The escrow ledger provides a means of determining availability for obligation of contributions or advances in escrow and of assuring that such funds will not be expended while in escrow. A separate escrow ledger will be maintained for each escrow account identified with the applicable project. The work allowance ledger (paragraph 5-25), retitled "Escrow Ledger" will be used for this purpose. Columns D, E, F, G, and J, described in paragraph 5-25b, will not be used. Amounts deposited in escrow will be entered in Column K based on escrow agreement and evidence of deposit. Funds withdrawn from escrow for deposit in the Treasury will be entered as a reduction in Column K for the amount withdrawn and as a reverse entry in Column H for that portion of withdrawal representing obligations incurred, based on copy of document initiating the withdrawal. Releases of unused balances from escrow to local interest are posted as a reduction in Column K based on approval of the Secretary of the Army. An escrow ledger will be maintained for the life of the escrow account and not by fiscal year. The sum of the amounts in Column K of active ledgers must equal the balance in GL account 119, Contributions or Advances Held in Escrow, at all times.

5-9. Administrative Control of Funds.

* a. Responsibility.

(1) District/Division Engineers and the heads of other Corps activities are responsible for administrative control of funds and may delegate such control to one or more persons. If delegation is to more than one, responsibility and authority of each should be in writing. If it is to only one person, power to redelegate should also be included. We recommend delegation to the Comptroller with power to redelegate. The responsibility redelegated by the Comptroller would be to Chiefs of Divisions and Separate Offices of the District. A sample redelegation to the Chief, Engineering Division follows. Similar redelegations to chiefs of other divisions and separate offices would contain similar instructions, modified to fit the particular organization or functions.

TO: Chief, Engineering Division
SUBJECT: Administrative Control of Funds

1. You are hereby delegated responsibility for management and control of all funds contained and approved in the current year operating budget (program to be charged to appropriated funds) for the Engineering Division, including any funds sub-allocated from other offices of the District. You are responsible for establishing those operational controls necessary to assure that you do not exceed obligation/expenditure limits assigned in your approved program of work. Funds management must take place before execution of the work.

*

* 2. In the event trends indicate the need to exceed previously established funds limitations, you are responsible for notifying the Comptroller or Program Development Officer for decision to either acquire additional funds, or cease work. These actions must be taken in sufficient time to allow for the securing of additional funds or orderly cessation of work.

3. The Finance and Accounting Office will provide you with status reports on funds utilization. Also, prior to incurrence of contractual obligations, certification of funds availability must be obtained from the F&AO. For detailed instructions on administrative control of appropriated funds, see District Regulation No. 37-1-1, dated 1 July 1977.

(2) A positive procedure must exist to effect this control. The following are available to assist and support this function:

(a) Miscellaneous Obligation Document (MOD) for government costs each month in lieu of last month of each quarter.

(b) Manual information commitment record. District personnel must utilize the Fund Status Report and reconcile informal record with the COEMIS produced report each update cycle.

(c) Schedule of Contract Awards which can be used by the FOA to determine if a contract flowing through the Finance Accounting Branch for certification prior to award has been programmed and scheduled. It will also show whether or not the proposed contract can be awarded ahead of schedule or must be delayed due to lack of apportionment.

(d) ENG Form 2101, Estimated Civil Works Fund Schedule, prepared for both obligations and expenditures showing a month-by-month schedule for each. When actuals reflect deviation from the schedule, the district becomes immediately aware if ahead or behind schedule. If ahead, the district may have to request additional apportionment in an earlier quarter or delay awards until the quarter for which originally scheduled.

(e) Program Document PB2b, a program schedule for all large construction projects and lists all planned design work by major features of the project. The schedule also indicates anticipation of construction by quarters.

(f) COEMIS Resource Allocation/Project Management (RA/PM) * Subsystem which has a critical path method (CPM) network capability and interfaces with the F&A Subsystem. The activities on the CPM

network are tied to cost accounts through the interface and allow the managers to review the I and J Nodes (which denote beginning (I) and ending (J)) as to early start, late start, or on-time starts, relate manpower and dollars to the CPM activity, and compare actual dollars provided through the interface.

* Any, or all, of the above may be used separately or in combination. The objective is positive control of funds. The extent to which the procedures are implemented depends upon experience of the staff, effectiveness of the system, other self-imposed constraints, and complexity of the workload.

* (3) Authority to certify funds availability will be delegated to the Finance and Accounting Officer by the Installation Commander. This delegation will be by inclusion in FOA local regulation. The F&A Officer must redelegate this authority in writing to other F&A personnel who may certify in his/her name. The F&A Officer may also redelegate this authority, up to limits of bulk commitments issued to others such as Project Engineers, where such procedures are in effect.

*

b. Prevalidation of Obligations.

(1) Except as noted in subparagraph (2) below, three copies of every obligation document will be furnished the Chief, Finance and Accounting Branch, or his designated assistant for determination of the propriety and availability of funds prior to release to the vendor. If funds are available, a certificate to that effect will be placed on two copies. The certificate on copy No. 1 will be signed and the copy returned to the originator. The certificate on copy No. 2 will be initialed and it, together with the original, will be routed to the Finance Accounting Section for immediate entry in allotment ledgers and other action required by this regulation. If funds are not available, a statement to that effect will be made on one copy of the document and all copies returned to the originator.

* (2) Where fund control over small purchases is exercised through the medium of administrative instructions or limitations, prevalidation of individual obligation documents issued thereunder is unnecessary (2 GAO 4520.30). For obligation procedures for small purchases under imprest funds, see paragraph 3-10.

c. Legislative and Administrative Limitations.

(1) The applicable provisions of AR 37-20 and OCE Supplement 1 thereto will be followed without deviation.

- * (2) Reports of violation will be submitted to HQDA (DAEN-RMF-A) WASH DC 20314 in accordance with provisions of AR 37-20 and OCE Supplement 1 thereto.

(3) The following clarification has been issued by the Comptroller of the Army in regard to reportable violations of Section 3679, RS, on overrun of estimates for reimbursable work performed by Revolving Fund, Corps of Engineers, Civil. In instances where funds are obligated on an estimated basis in the project accounts to reimburse the Revolving Fund for actual charges incurred for maintenance and operation of equipment, financing of common inventories, etc., it has been determined by the Comptroller of the Army that if the actual charges exceed such estimates, no reportable violation of Section 3679, Revised Statutes, occurs until or unless such excess is billed against such project. The Comptroller of the Army has pointed out, however, that the practice of allowing or incurring costs in the Revolving Fund in excess of fund limitations imposed on any given project is considered contrary to sound management practices.

(4) While the above ruling allows each installation and activity time in which to obtain additional funds to cover the lack of project funds due to under-estimation of such charges as cited in subparagraph (3) above, it does not necessarily allow large amounts to remain unbilled in the Revolving Fund for a long period of time due to lack of project funds. Care should be exercised in the application of the ruling to maintain financial management on a sound basis. It is recognized, however, that reimbursable work on an estimated basis cannot always be performed in any given month to or within an exact amount.

(5) There is nothing contained in subparagraphs (3) and (4) above which should be construed as authorizing the commencement of work prior to the receipt of an allotment of funds. Neither should it be construed that work may continue beyond any month where the estimate for the previous month has been exceeded and funds were not available in the project to continue the reimbursable work. Whenever it becomes apparent that work requirements are in danger of exceeding project funds, work should be halted until additional funds are made available. Except as prescribed by paragraph 5-19a(1)(b), estimates for reimbursable work to be performed by the Revolving Fund for a given month must be made at the beginning of the month and must be realistic to cover the work for the estimated work to be performed, and the work performed must be within the scope of the work covered by the estimate.

(6) Obligations will not be created in excess of the quarterly sub-allocation of apportionment issued by the Division Engineer to the District even though (a) the overall OCE allocation to the Division for

that quarter is not thereby overobligated and (b) unissued Division allocation of apportionment was available for, but not suballocated to, the District.

* d. Obligation Accounting.

(1) Citation of Fiscal Year Limited Appropriations on Contracts. The provisions of this section apply only to contracts that cite one year or multiple year appropriations that expire for obligations at a specified time. The provisions of AR 37-21, paras 2-10a(1) through (5), 55 Comp. Gen. 768 (B-132900), 61 Comp. Gen. 610 (B-195732), 31 U.S.C. 1502, PL 96-436 (Military only) and the guidance in the succeeding subparagraphs apply to contracts that cite these fiscal year limited appropriations, and exceptions thereto.

(2) When a contract is awarded it must include a citation to the appropriation(s) which is/are to be obligated. Once obligated, no new appropriation may be added to the contract except by supplemental agreement covering new work outside the basic contract scope. For example, a contract was awarded citing FY 83 General Expense funds, symbol 9633124. The three (3) denotes this fund is available for obligation in Fiscal Year 1983. Since it is a limited year appropriation, change orders, overruns, changed conditions and similar adjustments throughout the life of the contract must cite the same appropriation no matter when they occur. General Expense funds appropriated in FY 84 or FY 85 etc. may not be legally obligated under this contract for in scope price adjustments. The same principle applies to obligation authority received by reimbursable order. Limits applicable to the ordering appropriation govern. Statutory and Comptroller General Decision exceptions to this principle have been made in the case of contracts citing military construction appropriations and in certain cases involving discretionary cost increases to a cost-reimbursement contract.

(3) Comptroller General Decision B-195732 dated 23 September 1982, (61 Comp. Gen. 610) modifies the previous decision rendered on 11 June 1980, (59 Comp. Gen. 518) concerning the proper appropriation to charge for a cost overrun of a cost-plus-fixed fee (CPFF) contract. The principle established that a fiscal year limited appropriation may only be charged for contracts executed to meet bona fide needs of that year is not changed. However, where there are discretionary cost increases in a cost-reimbursement contract, the guidance is as follows:

Discretionary cost increases in a cost-reimbursement contract which exceed contractually stipulated ceilings, and which are not based on an antecedent liability, enforceable by the contractor, may be charged to either the funds current when the discretionary increases are granted or *

ER 37-2-10
Change 56
15 Aug 85

the funds cited on the original contract, at the option of the Field Operating Activity (FOA) affected. Similar increases which do not exceed a contractually stipulated ceiling must be charged to the funds cited on the original contract.

e. Revolving Fund. While it is not required that obligating documents for the Revolving Fund be prevalidated as to availability of funds prior to their issuance, requisitions for purchase and the overall income and expense program should be controlled as described, particularly in paragraph 7-31.

- * 5-10. Work for Other Corps Field Operating Activities (FOAs) and Federal Agencies. Guidelines relative to the authority for performing work for other Federal agencies are contained in ER 1140-2-302. To the greatest extent practicable, such work will be performed on a reimbursable basis, rather than by advance of funds. Reimbursable orders received by Corps FOAs will be processed in accordance with the instructions presented below.

a. Non-DOD/Civil Funded Reimbursable Orders.

(1) Reimbursable orders from non-DOD agencies will be processed in accordance with reimbursable procedures within the Civil module of the COEMIS F&A subsystem.

(2) Reimbursable orders from other Corps FOAs which cite civil funds and include work anticipated to be performed in whole or in part by contract must be processed in accordance with reimbursable procedures within the Civil module of the COEMIS F&A subsystem.

(3) Reimbursable orders from other Corps FOAs which cite civil funds and include work which will be performed entirely with in-house resources will be processed in accordance with reimbursable procedures within Revolving Fund module of the COEMIS F&A subsystem.

(4) Reimbursable orders from other Corps FOAs which cite the Corps' Revolving Fund will be processed in accordance with reimbursable procedures within the Revolving Fund module of the COEMIS F&A subsystem.

b. DOD/Military Funded Reimbursable Orders.

(1) Corps FOAs with military accounting capability will use automatic reimbursement procedures within the Military module of the COEMIS F&A subsystem to process reimbursable orders from DOD activities and other Corps FOAs which cite military funds.

*

* (2) Corps FOAs without military accounting capability which receive reimbursable orders citing military funds from other Corps FOAs or DOD activities will use the Revolving Fund module of the COEMIS F&A subsystem for all costs except AE and/or construction contracts. Military contracts prepared and administered in connection with the order will cite the ordering FOA or DOD activity contract number, fund citation, fiscal station number and billing address. Contract payments and accounting therefor will be accomplished by the ordering FOA or DOD activity. *

c. The reasoning behind the above procedures is that civil assigned employees accomplish the work where the reimbursable order is from an other than DoD agency, or cites civil funds. The manpower and object class 11 and 12 are reported within civil appropriations. When the order is from a DoD agency or cites military funds, personnel assigned to military functions are used and the manpower and object class 11 and 12 are included in the military reports.

d. When it is necessary to obtain an advance from another agency, a request, supported by a copy of the agreement or other instrument covering the furnishing of goods or services, will be submitted to CDR USACE (DAEN-RMB) WASH DC 20314-1000. As provided by 7 GAO 2050 and 7 GAO 4050, advances will be made available to the performing agency as either transfer appropriations or consolidated working funds. In either case, the advance of funds will be allotted by the Chief of Engineers/Commanding General to the District to perform the work. These allotments will be processed in the accounts in the same manner as allotments of any other funds. See also paragraph 4-9b concerning the treatment of receipt of checks covering allotments of consolidated working funds.

5-11 Work Performed by Other Federal Agencies. Work may be performed for the Corps of Engineers by other Federal agencies under authority of Section 601 of the Economy Act (31 USC 686) and similar provisions of law. Work by other agencies will be funded by the following means:

a. Reimbursable Orders. Issued to and accepted by the performing agency. This is the preferred method:

b. SF 1151 (Nonexpenditure Transfer Authorization). This method is used under general programs such as that directed by the Fish and Wildlife Coordination Act, and the cooperative stream gauging program under Department of Interior. In such cases, SF 1151 is issued by the Chief of Engineers to transfer funds to performing agencies. Some nonexpenditure transfers are also made with respect to specific district activities in which other Government agencies will participate. In such cases, the Chief of Engineers will advise the District in writing as to the purpose of the transfer and the amount transferred, and the District will charge the appropriate general ledger and cost accounts in that amount and will credit GL account 136.5.

- * c. Advance Payments. This method of financing should be used only when the reimbursable method is impracticable (7 GAO 4050.20). Advances will be accomplished by payment of SF 1080 received from the billing agency. Prior approval of such advance payments will be obtained from HQDA (DAEN-ECB) WASH DC 20314, except for advances made in conjunction with Comprehensive River Basin Studies which are consistent with program amounts in the Coordinated Budget.

5-12 Minor Completion Items. Projects under appropriation Construction General which are essentially complete physically, but which have relatively small amounts remaining in the approved work program may be designated as "Minor Completion Items" as provided in ER 11-2-240. Minor completion items will be appropriately coded and reported individually by project under the applicable class or sub-class on the monthly ENG Form 3011a. Subsequent transactions will continue to be posted in detail to the work allowance ledgers for the project.

5-13 Lapsed Appropriations.

a. General. Lapsed appropriations will be accounted for under the successor "M" (Merged) Accounts system in that, when a fiscal year appropriation is lapsed, the fiscal year digit is dropped and the letter "M" indicated in lieu thereof. All disbursing, collection, and adjustment transactions against lapsed appropriations will refer to the successor "M" Account. For example: the unpaid obligations for FY 1955 General Expense Appropriation, which became lapsed on 30 June 1957, will be recorded and reported under successor "M" Account 96M3124, and will be expended under that symbol.

b. Additional Obligation and Increase Adjustment of Obligations in "M" Accounts. Prior to the recognition of an obligation not previously recorded and of increase adjustment, a determination will be made as to the sufficiency of funds not obligated or committed. In the event "M" accounts funds are not sufficient to cover the obligation or increase, adjustment authority will be obtained from HQDA (DAEN-ECF-A) WASH DC 20314 before recording the obligation in "M" accounts. *

5-14 Accrual Principle of Fund Control. To provide a relative basis for reconciliation of funds with cost, the accrual principle is employed. This provides that expenditures will be recorded when goods and services are received and other assets acquired, whether or not payment has been made and whether or not invoices have been received. When obligations mature, they will be liquidated and the accrued expenditure recorded.

5-15 Accounting Control.

a. General. The successful operation of any accounting system is dependent upon:

- (1) Adequate documentation of all transactions affecting the accounts.
- (2) Positive and controlled flow of all documents to the accounting office.
- (3) Current entry of documents in the several accounting records.
- (4) Separation of duty assignments in the performance of organizational responsibilities to assure adequate internal controls.

The procedures outlined in the following paragraphs are established for preparing, receiving, and controlling obligation documents, bureau vouchers, invoices, receiving reports, partial payment estimates, etc., in the Finance and Accounting Branch.

* b. Disbursing Section. This section will:

- (1) Maintain the Cash Receipts and Deposits Register and Cash Disbursement Register.
- (2) Balance the Cash Receipts and Deposits Register and Cash Disbursement Register monthly, and prepare summary journal entries for posting to the general ledger.

* c. Examination Section. This section will maintain file of original paid bureau vouchers in numerical sequence. It will also maintain a record of payments to vendors, either by utilizing an extra copy of obligating document or by card file.

* d. Finance Accounting Section. This section will:

- (1) Maintain the registers for numerical control of numbered obligating instruments and journal entries.
- (2) Maintain Accrued Expenditure Registers and Accounts Receivable Registers.
- (3) Maintain Allotment Ledgers and Work Allowance Ledgers.

*

(4) Prepare all bills except bills for all prebilled items and bills for all collections originating from data maintained in the cost records. Prepare bills for real estate outleases if so determined by the district engineer in accordance with par 4-2c(1).

(5) Maintain files of undelivered orders, accounts payable, and accounts receivable.

(6) Balance the Accrued Expenditure Registers and the Accounts Receivable Registers, monthly and prepare summary journal entries for posting to the general ledger.

(7) Balance the Work Allowance Ledgers and the Allotment Ledgers and prepare monthly summary journal entries for posting to the general ledger. Balance the applicable subsidiary ledger balances with general ledger balances.

(8) Inventory the Accounts Payable file each month and balance it with the General Ledger and with the open items on the Accrued Expenditure Registers.

(9) Inventory the Accounts Receivable file each month and balance it with the General Ledger and with the open items on the Accounts Receivable Registers.

(10) Inventory the undelivered orders file each month and balance it with the allotment and work allowance ledgers. To reduce peak workloads, this operation may be phased throughout the month.

(11) (Reserved)

(12) Balance total current accrued expenditures with Cost Section records monthly.

e. Cost Accounting Section will: (1) Receive, review and process the receiving reports and bureau vouchers initiated by other elements of the District organization (paragraph 3-2) Prepare and process all other bureau vouchers generated by the activities of the District.

(2) Prepare bills for all collections originating from data maintained in the cost records. Prepare bills for all prebilled items except that bills for real estate outleases may be prepared in other sections of the Finance and Accounting Branch if so determined by the district engineer.

5-16 (Reserved)

5-17 (Reserved)

5-18 Reservation of Funds. It may be desirable, as a method for fund control, to establish memorandum accounts at project and activity level to reflect unreserved balances of work allowances. Under this method, ENG Form 3040, Commitment Ledger, could be applied by utilizing the "Fund Reservations" column. To keep the system on a broad and simplified basis, the amounts shown on approved PB series work programs for current fiscal year for Government Costs and Hired Labor Costs could be reserved at beginning of the fiscal year. Amounts of contracts being advertised could be reserved individually at the time of advertisement. Necessary reservation could also be made for estimated change orders and quantity variations. As work progressed during the fiscal year, review of the various PB series cost reports and local cost reports would be made to ascertain that actual program costs were consistent with the estimated reservations. As indicated by this review and by amounts of unreserved balances, the need for reprogramming of work and revision of approved programs or allowances could then be brought to the attention of the proper technical divisions of the District.

5-19 Obligation Documents and Method of Treatment.

a. Internal Transactions.

(1) Intradistrict Transactions.

* (a) An obligation to cover anticipated billings from the Revolving Fund for labor, travel, transportation services, equipment usage, overhead and other estimated costs will be established on a miscellaneous obligation document (MOD) for each project at the beginning of each month. Individual billings received during the month will be recorded thereon as liquidations. After the final (actual or estimated) cost distribution from the Revolving Fund for the month has been recorded as an accrued expenditure in the allotment account and the amount liquidated on the obligation record, any unliquidated balance of the estimated MOD will be cancelled at the end of each month. *

* (b) Interim reports on obligations which may be prepared during a month will include estimated amounts of obligations for payrolls and other Revolving Fund charges *

expected to be chargeable to the projects through the end of the month being reported regardless of whether the obligations have been recorded in the allotment accounts.

(2) Inter-District Services.

* (a) Intra-Army Order for Reimbursable Work or Services, DA Form 2544 will be utilized when requesting inter-district services, including orders for reimbursable work or services to be performed by laboratories. An obligation will be recorded in the project account of the ordering district for the full amount of the order upon receipt of the signed acceptance copy of the order from the servicing district. Liquidation of the obligation will be made in accordance with paragraph 5-20. At the close of each fiscal year the obligations under annual appropriations under control of Chief of Engineers will be reduced by the serviced districts to cover only estimated actual obligations incurred by the servicing districts as of 30 September.

(b) Inter-district DA Forms 2544 will include in block six the ultimate six-digit ENG Form 3018b or seven-digit ENG Form 3018c report item code that will be used by the ordering district. This information will enable the performing district to properly identify the ultimate appropriation to be charged as well as to assure the proper categorization of costs of services rendered on its ENG Form 3018b or c, as appropriate. For example, the ordering district will ultimately report the work as ENG Form 3018b item code 120212 and will so indicate on the DA Form 2544. The performing district can then properly identify the ultimate appropriation as 96X3122, Construction General and code its ENG Form 3018b costs as 460211 to properly show the work as design engineering effort. *

b. Prerequisites for Recording. The provisions of Department of Defense Directive 7220.6, 28 April 1955, as implemented by AR 37-21, will be followed in recording obligations.

c. Continuing Contracts. The amount to be initially obligated for continuing contracts will be the amount stated in the contract document as being available for initiation of the work; thereafter the amount of the recorded obligation will be increased or decreased only to the extent that such increase or decrease is supported by a formal notice to the contractor in accordance with the contract terms. Where a continuing contract is in the fiscal year of completion with funds on hand therefor, the contractor may be notified in writing that funds are available to complete the contract without specifying a dollar amount. At the time of such notification, obligation should be recorded to cover the previously unrecorded portion of the basic contract, change orders, and overruns placed. Thereafter, obligations for additional change orders, overruns, etc., will be recorded, as appropriate, on the same basis as for contracts which are not continuing contracts.

d. (Reserved.)

e. (Reserved.)

f. (Reserved.)

g. Rental Agreements - Nominal Consideration. When the consideration stated in a rental agreement is a nominal amount \$1.00 - \$50.00) the full amount will be obligated against funds available upon execution of the agreement. When the consideration is more than \$50.00 the provisions of paragraph 2-7g(1) or (2), AR 37-21 will be followed--the selection of method depending upon availability of funds within the operating programs.

* h. Travel. Under the option in para 2-20a(3), AR 37-21, estimated amounts for travel orders will be obligated at the time the orders are issued; all other provisions of para 2-20, AR 37-21 will be observed. *

i. Miscellaneous Obligation Documents. Certain items, such as personal services, communication services, some intragovernment transactions, etc., are of such a nature that no specific document is readily available for recording as an obligation. When required, obligations of this type will be documented on a Miscellaneous Obligation Document, DA Form 3717 which will be numbered serially commencing with No. 1 at the beginning of each FY. In every instance it will be initiated by an individual who is in a position to make an accurate estimate of the amount of the obligation, signed and forwarded to the Finance and Accounting Branch for entry to the allotment ledger. This form, when prepared in accordance with the foregoing, constitutes the written administrative determination specified in AR 37-21.

j. Partial Payment Record. The "Partial Payment Record" section of DA Form 3717 will be maintained for each obligation document for which partial payments are made, except that notation of the partial payments may be made directly on the obligation document in lieu of using DA Form 3717 when it is more convenient to do so.

k. Undelivered Orders Files

(1) Files of "undelivered orders" documents will be maintained by projects. These files will include all "undelivered" purchase orders, uncompleted contracts, and other obligating documents, including the partial payment records referred to in 1 above. These files will be maintained by the Finance Accounting Section.

(2) When obligating documents are received by the Finance and Accounting Branch, one copy will be forwarded to the Finance Accounting Section and the other copy will be forwarded to the Examination Section. The Finance Accounting Section will use its copy to obligate funds and then file it in the undelivered order file by project. The Examination Section will file its copy alphabetically by vendor.

(3) Incoming invoices will be forwarded to the Examination Section to be time-stamped and filed in the alphabetic vendor's file.

(4) Receiving reports will go first to the Property Accounting Section for necessary action.

(5) The Property Accounting Section will forward the receiving report stamped "property accounting" to the Examination Section for preparation of the voucher. This voucher preparation should not be confused with preparation of bureau vouchers, ENG Forms 3005 and 3006 as prescribed in paragraph 3-2a. The voucher preparation in Examination Section is the matching of the receiving report with pertinent obligating documents and invoices if received.

(6) The prepared vouchers will be forwarded to the Cost Accounting Section for costing. The first carbon of the bureau voucher will be used for posting.

(7) The Cost Accounting Section will forward the voucher to the Finance Accounting Section for full or partial liquidation of the obligation. The second carbon of the bureau voucher will be used for posting and will then be placed in the accounts payable file.

ER 37-2-10
Change 19
1 Dec 72

* (8) The voucher (original bureau voucher, receiving report, obligating document, and invoice if received) will be returned to the Examination Section to be audited and scheduled for payment or held until the invoice is received. Such held vouchers will be audited and scheduled for payment when the invoice is received.

(9) The original payment document will be listed on Voucher and Schedule of Payments, SF 1166, which will be certified and if required, processed for the preparation of a bureau voucher adjustment as described in paragraph 3-5b. Normally the SF 1166 will be prepared in triplicate. Extra copies may be made to meet special requirements such as a SF 1166 on which transportation accounts are scheduled. For payments on transportation accounts an extra unsigned copy of the SF 1166 will be made for local records since the original will be sent to the General Accounting Office after completion of the site audit for the fiscal year.

(10) A copy of the SF 1166 will be placed in an Examination Section temporary unpaid vouchers file. The original and one copy of the SF 1166 along with the original supporting documents and copies of invoices to be returned to vendors for check identification will be forwarded to the disbursing section.

(11) After payment, the original SF 1166 will be retained by the Disbursing Section and filed by D.O. voucher number, pending audit by the General Accounting Office. The copy of the SF 1166 and the original supporting documents will be returned to the Finance Accounting Section for insertion of the Disbursing Officer's voucher number on the bureau voucher and notation of payment on the Accrued Expenditure Register. The original supporting documents will be forwarded to the Examination Section for recording payments to vendors and filing by bureau voucher number in the paid file. If obligating documents are used for recording payments to vendors, a cross reference will be made to the covering D.O. voucher number.

*

5-20. Obligations Liquidated. As a general rule, obligations are liquidated in the original amount when matured as accrued expenditures. The date obligations are liquidated or canceled may be indicated opposite the amount obligated on the work allowance ledger. Where an obligation is liquidated by more than one payment, the letters "PP" and date may be recorded opposite the original obligation when the first payment is made, and no further reference need be made on the work allowance ledger for the remaining partial payments. The above procedure is optional; however, in all cases, partial payments will be recorded on the partial payment record maintained in the undelivered orders files. In the case of partial payments, the amount of the bureau voucher will be posted both as a liquidated obligation and as an expenditure. The partial payment record will reflect the "undelivered order" balance and support the file of undelivered orders.

5-21. Accrued Expenditures. Accrued Expenditures are obligations or partial obligations which have matured, i.e., goods and materials received, services performed, pay earned, etc. Refunds of unexpended balances of trust funds will also be treated as accrued expenditures. Bureau voucher forms are the posting documents for accrued expenditures and will be posted to the work allowance ledgers in detail. (See Chapter 3 for processing of accrued expenditures.)

5-22. Register of Obligor Documents. In order to provide an effective control of obligator documents, all purchase orders, contracts and other comparable serially-numbered documents used in obligator funds will be entered on ENG Form 3158, Bureau Voucher or Obligor Document Number Register, which will be maintained in the Finance Accounting Section. It will consist of a separate listing of the serial numbers of each type of document without descriptive data, or reference to appropriations or funds chargeable. Upon receipt of the documents the numbers will be cancelled from the list and any open numbers at the end of the month will be investigated before the accounts are closed. Also, before closing the accounts, verification will be made that the last document issued and approved for availability of funds has been entered in the accounts.

5-23. Journal Entries. a. Preparation. Except where otherwise specified, all entries to General Ledger accounts will be made from Journal Entry, ENG Forms 3007 and 3007a. All entries between subsidiary cost accounts of the same project or within subsidiary cost accounts of the Revolving Fund, will be made on ENG Forms 3007 and 3009, as applicable. A numbering system for journal entries designed to meet the needs of individual offices will be used. It should provide numeric identification of month, fiscal year, and journal entry.

b. Register of Journal Entries. To provide control over assignments of journal entry numbers and to assure the receipt of all journal entries for recording in the General Ledger in the month of issuance, a register of journal entries will be maintained using ENG Form 3158. Where data requiring additional columns is desired, register of locally-designed format may be used.

5-24. Allotment Ledger - Description and Operations. a. Ledger Forms. The following multiple-purpose machine accounting forms are headed "☐ Allotment Ledger ☐ Work Allowance Ledger" and are provided for accumulating budgetary accounting data at allotment (appropriation) level. The nature of the data to be recorded will be identified by placing "X" in the appropriate block in the heading.

(1) ENG Form 2106 (Burroughs Sensimatic)

(2) ENG Form 3036 (National Cash Register 31 and Remington Rand 85)

Forms for use on other machines will be provided on request to the Chief of Engineers, ATTN: ENGAS-PF.

b. Detail Posting. A description of operations under each transaction column, using ENG Form 2106 (Burroughs Sensimatic) to demonstrate, is as follows:

(1) Column A - Date -- Enter date of posting.

(2) Column B - Proof -- Used for zero proof of pick-ups.

(3) Column C - Description -- Write the title of the document or brief description of the transaction being posted.

(4) Column D - Voucher Number -- Not applicable.

(5) Column E - Object Class - Not applicable.

(6) Column F - Disbursements -- Not applicable to Civil.

(7) Column G - Accrued Expenditures -- Enter the amount of change in Accrued Expenditures from Column G of the subsidiary Work Allowance Ledgers. Increases in this column increase the total in Column I and decrease the balance in Column L. Decreases in Accrued Expenditures have the opposite effect on the referenced columns.

(8) Column H - Undelivered Orders -- Enter the amount of change in Undelivered Orders outstanding from Column H of the subsidiary Work Allowance Ledgers. Increases in this column increase the total in Column I and decrease the balance in Column L. Decreases in Undelivered Orders have the opposite effect on the referenced columns.

(9) Column I - Cumulative Obligations -- This is the total of Columns G and H.

(10) Column J - Unobligated Commitments -- Not applicable to civil.

(11) Column K - Funds Authorized -- Enter advices of allotment and revocation received from the Chief of Engineers at appropriation level in this column. For allotment ledgers maintained for Appropriation Reimbursement Activity, ENG Forms 3007 pertinent to interagency reimbursable work order documents and documents authorizing other appropriation activity will be entered in this column. Increases in this column increase the balance in Column L. Decreases have the opposite effect.

(12) Column L - Unobligated or Uncommitted Balance -- This column reflects the unobligated balance of allotments, and is subsidiary to G.L. Account 131.21 Unobligated Allotments.

c. General Ledger Postings. The summary of entries for the month will be posted to the general ledger as of the end of the month by the use of Journal Entry, ENG Form 3007a as follows:

(1) Accrued Expenditures -- The net total of the accrued expenditure column for the month will be posted as a debit to Account 131.21 Unobligated Allotments and as a credit to Account 131.23 Expended Appropriations - Current Fiscal Year.

(2) (Reserved)

(3) Obligations -- The net change in undelivered orders balance for the month, if an increase, will be posted as a debit to Account 131.21 Unobligated Allotments and as a credit to Account 131.22 Undelivered Orders.

(4) Funds Authorized -- Summary general ledger postings will not be made from this column. Allotments and revocations will be posted directly to the general ledger accounts as they are received. Appropriation Reimbursement Activity applicable to this column will be posted directly to the general ledger accounts from ENG Form 3007 (para 5-31).

d. Trial Balance. At the end of the month, after posting from the allotment ledger to the general ledger, a trial balance of the individual Work Allowance Ledgers will be taken. The unobligated allotment column will agree with Account 131.21 Unobligated Allotments. The undelivered orders column will agree with Account 131.22 Undelivered Orders.

e. Fiscal Year Opening Procedures. At the beginning of each fiscal year, a new allotment ledger will be established for each appropriation,

with opening balances as follows. Separate ledgers will be established for appropriation reimbursement activity, as applicable:

<u>Allotment Ledger Column</u>	<u>Source of Posting</u>
H Undelivered Orders	f# or H# Undelivered Orders, end of prior fiscal year
I Cumulative Obligations	No posting; Total is mechanically computed by posting to Undelivered Orders column
K Funds Authorized	i# or H plus L# Unexpended Balance, end of prior fiscal year. (Unobligated Balance plus Undelivered Orders.)
L Uncommitted or Unobligated Balance	L# No posting. Balance is mechanically computed by entries in various columns. Balance must agree with balance at end of prior fiscal year.

* # Source is columnar data on Report on Status of Appropriations and Work Allowances (Reports Control Symbol DAEN-ECF-9) for September.

Source is columnar data on Allotment Ledger as of 30 September. *

* 5-25 Work Allowance Ledger - Description and Operations. a. Ledger Forms. The multiple-purpose machine accounting forms (ENG Forms 2106 and 3036) are provided for accumulating budgetary accounting data at project, class or activity level at which work programs are authorized as prescribed in ER 37-2-15. The nature of the data to be recorded as Work Allowances will be identified by placing "X" in the appropriate block in the heading of the forms.

b. Detail Posting. Operations under each transaction column, using ENG Form 2106 (Burroughs Sensimatic) to demonstrate, is as follows:

- (1) Column A - Date -- Enter date of posting.
- (2) Column B - Proof -- Used for zero proof of pick-ups.
- (3) Column C - Description -- Write the title and serial number of obligation documents, or a brief description of the transaction being posted.
- (4) Column D - Voucher Number -- Enter the number assigned to the bureau voucher or bill being posted.

1 Apr 69

(5) Column E - Object Class -- Not applicable.

(6) Column F - Disbursements -- Not applicable to Civil.

(7) Column G - Accrued Expenditures -- Enter the amount of the accrued expenditure as indicated on the bureau voucher or bureau voucher adjustment document. Enter refunds to appropriations as negative or reverse entries. Normal (add) postings to this column serve to decrease the balance in Column L and to increase the total in Column I.

(8) Column H - Undelivered Orders -- The amounts or individual obligations stated on contracts, purchase orders, miscellaneous obligation documents, etc., will be entered and added, and cancellations of or reductions in obligations will be entered and subtracted in this column. Also, the amount of each obligation previously entered is re-entered and subtracted in this column when the related bureau voucher is posted to the Accrued Expenditures Column. The amount of each partial payment will be entered in this column (as a liquidation) and in the Accrued Expenditures Column, as well as in the partial payment records as described in paragraph 5-19. Increases in this column increase the total in Column I and decrease the balance in Column L.

(9) Column I - Cumulative Obligations -- This is the total of Columns G and H.

(10) Column J - Unobligated commitments -- Not applicable to civil.

(11) Column K - Funds Authorized -- For distribution of allotted funds, enter amounts of work programs approved or otherwise authorized in various current year work program schedules established for each appropriation as prescribed in ER 11-2-101. As prescribed in para 5-8, ENG Forms 3007 will be used to document these amounts. For appropriation reimbursement activity, ENG Forms 3007 will be used to enter amounts applicable to interagency reimbursable work order documents and documents authorizing other appropriation reimbursement activity, as described in para 5-31.

(12) Column L - Unobligated or Uncommitted Balance -- This column reflects the unobligated balance of work allowance.

c. Summary Posting to Allotment Ledger. The amounts of change in Columns G and H will be computed and posted to the Allotment Ledger from posting run totals normally accumulated automatically by accounting machines.

d. Trial Balance. A trial balance of the individual Work Allowance Ledgers will be taken monthly by appropriation. The Undelivered Orders and the Unobligated Balances will agree with the balances reflected in the Allotment Ledger for the appropriation.

e. Fiscal Year Opening Procedures. At the beginning of each fiscal year, a new Work Allowance Ledger will be established for each project, class, or activity at which work programs are authorized or prescribed
* in ER 11-2-101, ER 11-2-240 and ER 11-2-320.

<u>Work Allowance Ledger Column</u>	<u>Source of Posting</u>
H Undelivered Orders	(f)# or H## Undelivered Orders, end of prior fiscal year
I Cumulative Obligations	No posting; total is mechanically computed by posting to Undelivered Orders column
K Funds Authorized	(i)# or H plus I plus L## Unexpended Balance, end of prior fiscal year (Unobligated Balance plus Undelivered Orders)
L Uncommitted or Unobligated Balance	L## No posting, balance is mechanically computed by entries in various columns; balance must agree with balance at end of prior fiscal year

#Source is columnar data on Report on Status of Appropriations and Work Allowances (Reports Control Symbol DAEN-ECF-9) for September.

##Source is columnar data on Work Allowance Ledger as of 30 September.

ER 37-2-10
Change 9
27 Jul 70

5-26 (Reserved)

5-27 Object Classification. a. Codes. The object classes are coded as follows:

- 11 Personnel Compensation
- 12 Personnel benefits
- 13 Benefits for former personnel
- 21 Travel and transportation of persons
- 22 Transportation of things
- 23 Rent, communications, and utilities
- 24 Printing and reproduction
- 25 Other contractual services
- 251 Services performed by other agencies
- 252 Payroll expenditures
- 253 Services rendered by the revolving fund
- 26 Supplies and materials
- 31 Equipment
- 32 Lands and structures
- 33 Investments and loans
- 41 Grants, subsidies and contributions
- 42 Insurance claims and indemnities
- 43 Interest and dividends
- 44 Refunds

Except as provided below, all transactions will be initially coded by objective classification prescribed by BOB Circular A-12. However, object class 25, "Other contractual services" for civil functions activities for the Corps of Engineers will be further classified on billing documents and will be recorded under the appropriation charged for budget purposes as follows:

- 25 Other contractual services
- 251 Services performed by other agencies
- 252 Payroll expenditures
- 253 Services rendered by the Revolving Fund

Object class 252 is used by central payroll offices to record accrued expenditures for payrolls which they process. Object class 251 is used when billings are received from other than Corps installations and will have no effect on object class 11 amounts. The methods utilized in determining amounts applicable to object classification 253 are included in para 4-2g of this regulation.

b. (Reserved)

c. Records. Object classes will be noted on obligation documents and on the bureau vouchers liquidating the obligation. Appropriation refunds and reimbursements will be coded in accordance with paragraph 4-2g. There will be maintained as a separate memorandum record a breakdown of each Accrued Expenditure Register, and, except for the
* Revolving Fund, of the Accounts Receivable Register by object class for each appropriation. This record will be detailed as necessary to supply data needed for budgetary and other reports. For the purpose of submitting reports on an obligation basis, the breakdown of expenditures will be converted to an obligation basis by classifying and subtracting the undelivered orders balance at the end of the previous fiscal year and classifying and adding the undelivered orders balance at the end of the current fiscal year or other period of the applicable report. In addition to reflecting the net change of undelivered orders, for the revolving fund sales to other districts revolving fund should be subtracted from accrued expenditures to compute total obligations. Instructions for preparation of the report on obligations for each appropriation and fund are in paragraph 20-5d and APP 20-II. In this regard, care should be exercised to establish this breakdown as of 30 September from the undelivered orders file before October transactions affect the contents of the file. *

5-28 Review of Unpaid Obligor Documents. Periodically, all the unpaid obligor documents (undelivered orders and accounts payable) including those for the Revolving Fund, as well as other appropriations, will be examined to determine that the amounts represented thereby are properly stated and are supported by documentary evidence as required by Section 1311, Public Law 663, 83 Congress, as implemented by AR 37-21.
* To insure the validity of obligor documents at the end of a fiscal year, a complete (100%) examination will be made beginning no earlier than 1 August and completed no later than closing of books as of 30 September. The files of undelivered orders and accounts payable will be balanced with pertinent balances in the ledgers (paragraph 5-15d).

5-29 Apportionment Control.

a. General. As required by Section 3679, Revised Statutes, as amended, and by the Office of Management and Budget instructions, obligations against appropriations must be restricted to the amount apportioned. The apportionment includes amounts for allotted funds activity and for appropriation reimbursement activity. The sum total of obligations incurred during a period for allotted funds activity and for appropriation reimbursement activity may not exceed the total amount apportioned for the related appropriation for the same period. Furthermore, obligations for allotted funds activity *

ER 37-2-10
Change 33
27 Apr 77

should not be incurred in excess of the funds allotted at appropriation level.

* b. Authorizations. Apportionments are given by the Office of Management and Budget to the Chief of Engineers by appropriation with quarterly limitations. In order to control amounts of obligations incurred by quarters, the Chief of Engineers will allocate the apportionment by appropriation by quarters to the respective Division Engineers who will in turn suballocate the amounts to his respective Districts on the same basis. Apportionment Schedule (ENG Form 3010) will be used for this purpose. Apportionment schedules will show in total the current fiscal year programmed target for appropriation reimbursement activity. This amount will be included in, but not separately identified by quarters on, the apportionment schedule ENG Form 3010. Quarterly apportionments will be distributed between allotted funds activity and appropriation reimbursement activity as follows:

1. Appropriation reimbursement activity. The current fiscal year programmed target for appropriation reimbursement activity will be initially distributed, by quarters, in proportion to the estimated amount requested for each quarter in the annual estimates submitted in accordance with

* ER 37-2-15, Appendix G.

2. Allotted funds activity. The distribution of the current fiscal year apportionment for allotted funds activity, applicable to each quarter, will initially be determined by subtracting the amount for appropriation reimbursement activity distributed as described above, from the quarterly amounts apportioned at appropriation level to the end of each quarter, as shown on Apportionment Schedule, ENG Form 3010.

3. Districts may adjust the initial distribution between allotted funds activity and appropriation reimbursement activity as necessary within the Appropriation Reimbursement Activity target and not to exceed the current quarterly cumulative apportionment limitation. It is emphasized however that obligations for allotted funds activity should not be incurred in excess of funds allotted at appropriation level.

c. Records. Each district or other office receiving allotments will establish necessary apportionment records to control their operations. The format described below will be added by typewriter or rubber stamp to the top of each allotment ledger sheet prescribed at appropriation level by paragraph 5-7:

	Carry over of Undelivered Orders and Distribution of Current FY Apportionments	Cumulative Obligations Target
* 1 Oct 19 Undelivered Orders	\$	
1st Q	\$	\$
2nd Q	\$	\$
3rd Q	\$	\$
4th Q	\$	\$

* 5-29b

5-22

Both columns of the above format will be completed on the basis of the distribution of the apportionment made in accordance with the preceding paragraph, and the carry forward of undelivered orders from the prior fiscal year as shown in the allotment ledger. No monetary entries will be made in the transactions portion of the allotment ledger on the basis of the Apportionment Schedule, ENG Form 3010. As posting affecting obligations are made to the allotment ledger, a visual comparison between the actual cumulative obligations incurred and the cumulative obligations target will be made to assure that obligations are being kept within the distributed amount. Distributions between project fund activity and appropriation reimbursement activity will be adjusted as necessary as provided above.

d. (Reserved)

e. Reapportionment Requests. Should the rate of obligations indicate need for additional apportionment and it is impossible for the Division Engineer to reallocate between Districts of the Division within the allocation of apportionment, the Chief of Engineers, ATTN: ENGEC-B will be contacted immediately for additional allocation of apportionment, or for advice of action in case additional allocation of apportionment from that level is unavailable.

5-30 Application of Appropriated Funds. Appropriated funds will be applied as follows:

a. Except as otherwise provided by law, sums appropriated for the various branches of the Government for expenditure in public service will be applied solely to the objects for which they are respectively made and for no others (R. S. 3678, 31 U. S. C. 628).

b. Annual (fiscal year) appropriations are available for obligation in the fiscal year designated and for expenditure and obligation adjustment for two fiscal years following the fiscal year appropriated. 96()3124 General Expenses, Corps of Engineers, Civil, is an example of a civil activities appropriation in this category. Any voucher or claim against such appropriations submitted for payment after the appropriation lapses for expenditure purposes will be certified and paid in the normal manner citing the lapsed appropriation, substituting M in the appropriation accounting classification for the fiscal year designation. Funds for payments in excess of unliquidated obligations certified under Section 1311, FL 663, as of 30 June reports for lapsed appropriations will be requested from the Chief of Engineers, ATTN: ENGEC-B.

1 Apr 69

5-31 Appropriation Reimbursement Activity.

a. The "Appropriation Reimbursement Activity" expression is established to distinguish between reimbursable work performed for others which when collected must be accounted for as an appropriation reimbursement from that which, when collected, must be accounted for as an appropriation refund as defined in para 4-2f. In addition to interagency reimbursable work, Appropriation Reimbursement Activity includes all other income which upon collection must be accounted for as appropriation reimbursements. Work performed for others which is classified as a "Claims Receivable" (para 4- 1) is specifically excluded from Appropriation Reimbursement Activity even though it is known that collection, if and when effected, would be accounted for as an appropriation reimbursement. In such cases accounting applicable to Appropriation Reimbursement Activity - Other Appropriation Reimbursement Activity will commence at such time as the Claims Receivable is reclassified as Accounts Receivable, as prescribed in para 4-11.

b. Apportionments including amounts applicable to Appropriation Reimbursement Activity will be made by the Chief of Engineers to Division Engineers who will suballocate to District Engineers (See par 5-29).

c. Appropriation Reimbursement Activity falls generally within two classifications as follows:

(1) Reimbursable Work. Reimbursable work performed for other government agencies which when collected must be accounted for as an appropriation reimbursement.

(2) Other Appropriation Reimbursement Activity. Includes all collections not included in (1) above which must be accounted for as appropriation reimbursements. (e.g. sales of assets; sales of utility services; damages to locks; etc).

d. Upon receipt of an Apportionment Schedule from the Division Engineer, Districts will:

(1) Establish a separate "Allotment Ledger-Appropriation Reimbursement Activity" for each appropriation for which a schedule including such activity is received.

(2) Each district or other office receiving an apportionment schedule including Appropriation Reimbursement Activity will establish necessary apportionment records to control their operations. The format described below will be added by typewriter or rubber stamp to the top of each allotment ledger sheet for Appropriation Reimbursement

Activity:

	Carryover of Undelivered Orders and Distribution of Current FY Apportionments	Cumulative Obligations Target
* 1 Oct 19__ Unde- livered Orders	\$	
1st Q	\$	\$
2nd Q	\$	\$
3rd Q	\$	\$
4th Q	\$	\$

(3) The two columns in the above format will be completed in the manner described for allotted funds activity in paragraph 5-29c.

e. Work pertinent to Appropriation Reimbursement Activity will be authorized at District level as follows:

(1) Reimbursable Work.

(a) Reimbursable work will be authorized prior to commencement of the work. Upon receipt of an interagency work order type document by the Finance and Accounting Officer authorizing the performance of Appropriation Reimbursement Activity-Reimbursable Work, the authorizing documents will be used for accounting purposes as follows:

1 A Work Allowance Ledger will be established for each Reimbursable Work Order.

2 A Journal Entry, ENG Form 3007, will be prepared reflecting the dollar value of the work authorized. The Journal Entry will be posted to the Funds Authorized column of the Work Allowance Ledger, and summarized to the related Allotment Ledger - Appropriation Reimbursement Activity. The Journal Entry will also be posted to the General Ledger as a debit to Account 131.27, Unbilled Reimbursable Orders and a credit to Account 131.21, Unobligated Allotment.

(b) Subsequent accounting for orders placed, goods received, and disbursement made, will be same as for appropriated funds.

(c) Accounts receivable bills issued will be recorded in the Accounts Receivable Register in the usual manner. The portion of the end of the month Summary Journal Entry, ENG Form 3007a pertinent to G.L. account 117.2 Work in Progress for Others - Appropriation

ER 37-2-10
Change 11
18 Feb 71

Reimbursement Activity will be used to debit G.L. account 131.25, Reimbursements to Appropriations - Current Year (Dr), and credit to G. L. account 131.27, Unbilled Reimbursable Orders. This is in addition to the requirement for debiting G.L. account 113.4, Appropriation Reimbursements and crediting G.L. account 117.2, Work in Progress for Others - Appropriation Reimbursement Activity.

(d) Separate subsidiary cost accounts will be maintained at appropriation level for Appropriation Reimbursement Activity - Reimbursable Work. Such activity which can be separately identified from project activity will be initially recorded in the 38.2, 238.2 or 638.2, Work in Progress for Others - Reimbursable Activity cost account. Such activity, which because it is interrelated with project activity cannot be separately identified and is therefore initially costed to the project feature or other accounts, will be transferred at least monthly from the projects costs to Reimbursable Activity costs. (This will be accomplished by crediting the applicable feature account and debiting the 38.2, 238.2 or 638.2, Work in Progress, Reimbursable Activity account). Upon issuance of an accounts receivable billing pertinent to the reimbursable activity, the 38.2, 238.2 or 638.2, Work in Progress, Reimbursable Activity cost account will be credited.

(e) Upon completion of a reimbursable work project, an adjustment will generally be required to recognize the difference between the estimated cost of the project as contained in the authorizing document and the actual cost of the work performed. This adjustment will be made concurrently with the rendering of the final accounts receivable billing to the customer. The amount of the adjustment will be stated in a form similar to that contained in the authorizing document. The adjustment document will be referenced as a change to the authorizing document, i.e., the adjustment document will be posted as a decrease to the "Funds Authorized" column of the Work Allowance Ledger and summarized to the related Allotment Ledger-Appropriation Reimbursement Activity. Also, a Journal Entry, ENG Form 3007 will be prepared in the amount of the adjustment and posted direct to the General Ledger as a debit to account 131.21, Unobligated Allotment and as a credit to account 131.27, Unbilled Reimbursable Orders. Upon completion of these actions, the adjustment document will be attached to and filed with the authorizing document.

(f) Economy Act reimbursable work orders (section 601 of the Economy Act), citing an annual appropriation of the ordering agency will be accepted in the amount which it is estimated will be obligated for performance of the work prior to the end of the fiscal year. Any unobligated balance of such orders which remains at the end of the fiscal year will be canceled prior to closing the accounts for the fiscal year. The cancellation will be posted (negative amount) in the Funds Authorized column of the applicable work allowance ledger, and summarized to the related Allotment Ledger-Appropriation Reimbursement Activity. Journal Entry, ENG Form 3007, will be prepared in the amount of the cancellation and posted direct to the General Ledger as a debit to Account 131.21, Unobligated Allotment and a credit to Account 131.27 Unbilled Reimbursable Orders. The ordering agency will be notified of the amount of the order which has been obligated so that necessary adjustment of obligations may be made prior to closing their accounts for the fiscal year of the appropriation. A citation of the funds to be used to effect reimbursement for obligations to be incurred during the new fiscal year will be obtained as an amendment to the original order prior to incurrence of additional obligations under this order. Upon receipt of the necessary fund citation, the estimated amount of obligations to be incurred during the new fiscal year for the reimbursable work order will be established in the accounts for the new fiscal year.

(2) Other Appropriation Reimbursement Activity. (a) Other Appropriation Reimbursement Activity is authorized by sales contracts or other documents which generate collections that must be accounted for as appropriation reimbursements. The sales contract or other authorizing document will be used to accomplish the following:

1. A Work Allowance Ledger - Other Appropriation Reimbursement Activity will be established. Districts are authorized to establish a single Work Allowance Ledger - Other Appropriation Reimbursement Activity, for each appropriation, or separate ledgers may be established within each appropriation to distinguish between such activities as: sales of assets; sales of utility services; damages to locks; etc., if such detailed information is needed.

2. A Journal Entry, ENG Form 3007, will be prepared from the "sales" or "other" type document and posted as an increase to the "Funds Authorized" column of the applicable Work Allowance Ledger - Other Appropriation Reimbursement Activity, and summarized to the related Allotment Ledger - Appropriation Reimbursement Activity. The Journal Entry will also be posted direct to the General Ledger as a debit to Account 131.25, Reimbursements to Appropriations, and as a credit to Account 131.21, Unobligated Allotment.

1 Apr 69

3 An Account Receivable bill will be prepared and issued to the buyer of the goods and services in the usual manner. ENG Form 3006a, prepared in support of the receivable billing, will be posted to the Accounts Receivable Register for the appropriation involved. (Dr. 113.4, Cr. 107.-, 163, or other applicable account.) The ENG Form 3006a will also be posted as a decrease in the Accrued Expenditures column of the work allowance ledger receiving credit for the sale or other action, and as an increase in the Accrued Expenditures column of the work allowance ledger for "Other Appropriation Reimbursement Activity".

4 Accounting for items 2 and 3 above will all be performed during the same accounting period. Accordingly, the work allowance ledgers for "Other Appropriation Reimbursement Activity" will reflect a zero unobligated balance at the end of each accounting period.

(b) Subsidiary cost accounts will not be maintained in connection with "Other Appropriation Reimbursement Activity".

(3) Account Receivable bills pertinent to appropriation reimbursements will not be posted to Work Allowance or Allotment Ledgers.

f. The total dollar amount of interagency orders accepted, and "other appropriation reimbursement activity" authorized, is not limited by the amount of apportionment received for an appropriation. Cumulative current fiscal year reimbursable obligations may be incurred within the annual reimbursable program target for the appropriation, not to exceed the current quarterly cumulative apportionment limitation. Local procedures will be developed to assure that quarterly apportionment limitations are not exceeded.

CHAPTER 6

COST ACCOUNTING, FORMS AND GENERAL PROCEDURES

<u>Topic</u>	<u>Paragraph</u>
Cost Accounting	6-1
Definitions of Cost Accounting Terms Used in this Manual	6-2
a. Cost	
b. Expense	
c. Income	
d. Work	
e. Work Order	
f. Project Subaccount	
g. Job	
h. Elements of Cost	
Objective and Purposes of Cost Accounting	6-3
The Cost Accounting System	6-4
Responsibility for Cost Accounting	6-5
General Ledger Control	6-6
Contract Work	6-7
a. Elements of Work	
b. Accounting for Contractors' Earnings	
c. Accounting for Damages Assessed Contractors	
d. Cost Reimbursable Contracts	
Hired Labor Work	6-8
Forms Used in Cost Accounting	6-9
* a. ENG Form 2, Summary of Distribution of ...	
b. ENG Form 17A, Cost Sheet-Miscellaneous	
c. ENG Form 3005, Bureau Voucher (Procurements)	
d. ENG Form 3006, Bureau Voucher (For Cost Transfers)	
e. ENG Form 3007, Journal Entry	
f. ENG Form 3008, Continuation Sheet (Bureau Voucher and Journal Entry)	
g. ENG Form 3009, Journal Entry (Depreciation, Plant Rental, Insurance and Plant Replacement)	*

ER 37-2-10
Change 46
24 Aug 81

<u>Topic</u>	<u>Paragraph</u>
Work Order Cost Accounting Procedures	6-10
a. General	
b. Forms to be Used	
c. Work Order Forms - General	
d. Work Orders on ENG Form 3013	
e. Work Order Cost Account, ENG Form 3012	
* f. Miscellaneous Cost Account, ENG Form 17A, Cost Sheet-Miscellaneous	*
Labor Cost Accounting Procedures	6-11
* a. Time and Labor Cost Reporting	
b. Methods of Determining Labor Cost Rates	
c. Procedure for Determining Labor Costs by Effective Time Method	
d. Payment of Payrolls and General Disposition of Labor Costs	
e. Labor Cost Distribution	
f. Estimated Labor Costs for Incomplete Pay Periods at End of Month	
Materials and Supplies Cost Accounting Procedures	6-12
a. Sources of Cost Data for Materials and Supplies	
b. Warehouse Stock Records	
c. Inventories of Stocks of Materials and Supplies	
d. Monthly Report of Receipt and Issue of Materials and Supplies, ENG Form 4a	
e. Cost Accounting for Warehouse Operating Expenses	
f. Spare Parts	
Plant and Equipment Cost Accounting Procedures	6-13
a. Costs of Plant Operation	
b. Small Tools and Equipment	
c. Plant Performance Reports	
Real Estate Acquisition Cost Accounting Procedures	6-14
a. Acquisition by Direct Purchase	
b. Acquisition by Condemnation - Declaration of Taking	
c. Acquisition by Condemnation - Complaint and Order of Possession Without a Declaration of Taking	
d. Deficiency Judgement Payments	
Accounting for Deferred and Undistributed Items	6-15
a. General	
b. Construction Facilities	
c. Unapplied Payments to Contractors	
d. Operation and Maintenance of Construction Facilities	

<u>Topic</u>	<u>Paragraph</u>
Accounting for Deferred and Undistributed Items (cont'd)	6-15
e. Operation and Maintenance of Permanent Project Facilities During Construction	
f. Stocks of Materials and Supplies	
g. Unapplied Advances for Accrued Costs	
h. Undistributed Job-Site Labor Costs	
i. District (General) Overhead Costs	
j. Area Office Overhead	
k. Project Office Overhead	
l. Insurance	
m. Value Engineering Prior to Award of Construction Contract	
Costs of Security Guarding	6-16
Payments to States from Grant Revenues	6-17
Accounting for Nonexpenditure Transfers to Other Government Agencies	6-18
Transfer of Projects Between Districts	6-19
Civil Service Retirement (CSR), Social Security Taxes (FICA), Employees Life Insurance Contributions (ELIF), and Federal Employees Health Benefits (EHBF)	6-20
Financial Property Accounting	6-21
a. Revolving Fund Property	
b. Property Documents	
Rounding-off Minor Amounts	6-22
a. General	
b. Rates	
c. Computations and Billings	
d. Rounding Principle	
Contingent Liability Records	6-23
a. Definition	
b. Memorandum Record	
c. Source of Data	
d. Financial Reporting	
e. Accounting for Claims Settled at OCE or Higher Level	
GSA Space Costs	6-24

ER 37-2-10
Change 47
30 Apr 82

Topic

Paragraph

Accounting for Costs of Troop Construction and/or
Work Accomplished in Connection with Troop
Training Exercises

6-25

Executive Direction and Management Functions and
Centralized Activities Functions

6-26

* Accounting Procedures under Lease Purchase Contracts

6-27

*

CHAPTER 6

COST ACCOUNTING, FORMS AND GENERAL PROCEDURES

6-1. Cost Accounting is the process of analysis, recording and reporting of costs and expenses incurred for activities and of income derived therefrom.

6-2. Definitions of Cost Accounting terms used in this Manual.

a. Cost is the amount of any expenditure of funds or any distribution or summation thereof, incurred in the performance of the acquisition, construction, maintenance, or operation of property or performance of service. Also included in the definition of "cost" is the appraised value of property or service obtained without charge.

b. Expense is cost incurred in the maintenance or operation of property or the performance of service.

c. Income is earnings accrued from the ownership or operation of property or the performance of service.

d. Work is acquisition, construction, maintenance or operation of property or the performance of service.

e. Work Order is an order for work to be accomplished.

f. Project subaccount is any subdivision of a feature or subfeature not separately identified in a program schedule, but which is maintained for local control purposes. (See paragraph 6-10 as to the use of Work Order, ENG Form 3013, Work Order/Completion Report for authorizing subaccounts.)

g. Job is a general term which may be synonymous with a project feature or subfeature; or it may be any part or combination of them, as in the case of a contract covering part of one, or all of several features or subfeatures. A job may also be shop activity for a specific purpose, such as creation of maintenance of property or performance of service. A job is usually an activity encompassed by specific work order, discussed in paragraph 6-10, except that a single contract job may cover several work orders, or a part or parts thereof.

h. Elements of Cost include labor (personal services), materials, supplies, equipment, equipment rental, equipment operation, contractors earnings, travel, transportation, rent, utilities, printing and binding and other non-personal services applied to work

1 Apr 69

6-3. Objective and purposes of cost accounting. Cost accounting is essential to the efficient management of work. Its primary object is to show costs and expenses incurred and income accrued. Its purposes may be described as follows:

- a. To furnish the basis for determining whether work is being performed economically.
- b. To analyze the costs of the various components of work for comparison with similar data for like work, for determining the efficiency of labor and plant.
- c. To facilitate periodic comparison of the various work components and elements of cost of one job with those of other similar jobs, and, in the case of differences, to furnish such data as will enable engineers and work supervisors to discover the cause of such differences.
- d. To furnish data as work progresses which will enable engineers and work supervisors to make comparisons with estimated costs and facilitate intelligent forecasts of ultimate costs.
- e. To furnish sufficient and reliable data on completed work for use in the preparation of estimates of the cost of similar work.
- f. To awaken a spirit of competition between the heads of different working parties engaged in similar work.

6-4. The cost accounting system. A cost accounting system must provide means by which the total costs will be allocated equitably and with a reasonable degree of accuracy to the various work components as work is being performed. Its value depends largely upon the simplicity of methods used in collecting and tabulating the cost data and the promptness with which the cost information obtained can be made available to management. If made complicated to the extent of demanding too great detail or exactitude, the purposes of a cost accounting system will be defeated.

a. This chapter, together with Chapters 7 and 8 describe the civil works cost accounting system used by the Corps of Engineers. It has been developed after much study of conditions peculiar to the Corps and with the view toward simplicity of methods and speed of operation. It can be expanded or contracted to meet the needs of the various districts. For projects requiring special treatment, District Engineers may establish for their own use, additional subfeatures or further breakdowns within the cost account structure prescribed in this manual. Where work conditions exist that appear to require accounting treatment

1 Apr 69

not provided in this manual, District Engineers are invited to submit particulars to the Chief of Engineers, with proposed method of accounting, for approval. The proper use of forms facilitates the assembly of costs with relation to measurements of work done. The forms which are prescribed have been prepared with a view to making them adaptable for general use throughout the Corps of Engineers. These forms are stocked in the Office of the Chief of Engineers and all requisitions therefor should be addressed to the Chief of Engineers, Attn:DAEN-ASP-D. The use of forms other than those prescribed is not authorized; however, recommendations for improvements in these forms, or substitutions therefor, are welcomed.

b. Accounts established for activities of the Corps of Engineers provide for the recording and control of assets, liabilities, income, expenses and the proprietary interest of the U. S. Government therein. The system provides for maintenance of the books of account on an accrual basis whereby the receipt of assets and income are recorded concurrently with the actual or constructive receipt thereof, and liabilities and expenses are recorded initially as of the date incurred. Thus, at the end of any accounting period, the status of the financial affairs of the Corps of Engineers may be accurately determined from the books of account, and statements prepared to reflect the financial condition resulting from operations of the Corps.

c. In cases where costs for specific work are financed by contributed funds, separate cost ledger sheets will be maintained therefor. On the other hand, if funds are contributed for a project as a whole, there will be no separation in the cost accounts; information for expenditures from contributed funds will be available from allotment ledgers.

6-5. Responsibility for cost accounting. All cost accounts (except detailed accounts for work performed in shops and facilities) will be maintained in the district office Cost Accounting Section. The District Engineer is provided a Cost Accounting Section whose functions are to maintain the cost accounts, prepare cost reports, and furnish cost data and analyses to operating people, as needed. Hence, no cost accounts will be maintained by the technical divisions of the district office. The technical divisions have a need for maintaining support data for the preparation of current working estimates, which is an element of basic control. However, data required for this purpose consist principally of known amounts of contracts already let, modifications thereto, overruns and underruns, estimates of engineering and design, supervision, administration and overhead costs and estimates for work in the planning and design phases and not yet placed under contract. Together with the officially maintained accounts these form a basis for effective control through reports showing the relationship of costs and estimates, schedules, etc.

a. The accuracy and value of the results to be obtained through cost accounting are not the exclusive responsibility of any single organization unit. The purpose of cost accounting can be met only as a result of proper

cooperation by the several organization units as a whole which are engaged in the preparation of work schedules and estimates; in the conduct of the work; and in recording initially the basic information with respect to each element of cost to be analyzed and recorded by the cost accounting section.

b. Periodic field inspections will be made by key employees of the cost accounting section, and close contact and understanding maintained between that section and the organization in charge of the work. Such inspections are necessary in order that those employees may familiarize themselves with the actual field work and accordingly be better qualified to detect and correct erroneous charges and to properly analyze costs. Since cost accounting is a very important branch of general accounting and the records compiled in the cost accounting section are primarily for use of the engineer, and work supervisor, the cost accountants necessarily must have a thorough understanding of the principles of general accounting, as well as a general understanding of engineering and construction methods.

* c. All cost transfers should be reviewed by an appropriate supervisory accountant. Cost transfers should be adequately justified and supported by written documentation from appropriate project management level personnel.

*

6-6 General Ledger Control.

a. Cost accounts are subsidiary to general ledger control accounts.

b. Expenditures are recorded in budgetary (allotment) accounts which are also subsidiary to general ledger control accounts.

c. Agreement between the general ledger control accounts and the related subsidiary accounts is facilitated by the use of voucher forms which provide for entries to the subsidiary accounts and the related general ledger control accounts for each transaction. The same voucher forms are used for transactions involving expenditures from the Revolving Fund, although no allotment accounting is maintained therefor.

d. The descriptions of the general ledger accounts in Charts B and C in Chapter 2 of this manual indicate the general ledger accounts for which subsidiary accounts are maintained. Detailed cost account definitions and accounting procedures for the Revolving Fund are contained in Chapter 7 and, for project activities, in Chapter 8.

6-7. Contract Work.

a. Elements of Cost. The term "contract work" includes the following types of costs:

(1) Total gross contractor's earnings, for engineering, design, construction and major items of supply, which is the total amount earned as disclosed by monthly or other periodic estimates of work performed. It will include the estimated earnings in excess of a continuing contract monetary limitation for work performed by the

* contractor, including interest thereon as depicted in the following example:

Interest Computation Example on Unfunded Continuing Contract Earnings:

Assume monthly contract payment normally made on the 15th of the month.

Assume exhaustion of funds occurred when making payment on ENG Form 93 for payment due June 1977. Total amount due was \$100,000. The amount funded and paid was \$45,000 and the amount unfunded and unpaid was \$55,000. Additional ENG Forms 93 are submitted in the amount of \$125,000 for additional earnings to be paid in July 1977 in the amount of \$93,000 for additional earnings to be paid in August 1977, and in the amount of \$140,000 for additional earnings to be paid in September 1977.

Assume total payment is made on 10 October 1977.

Given that the U. S. Treasury semi-annual interest rates established for the Renegotiation Board are 7-3/4% for 1 Jan 77 - 30 Jun 77 and 7-7/8% for 1 Jul 77 - 31 Dec 77.

Interest to be costed for the above example would be computed as follows:

Jun 77 -	\$ 55,000 x 15/365 x 7-3/4% =	\$ 175.17
Jul 77 -	\$ 55,000 x 31/365 x 7-3/4% =	362.02
	125,000 x 16/365 x 7-7/8% =	431.51
Aug 77 -	\$ 55,000 x 31/365 x 7-3/4% =	362.02
	125,000 x 31/365 x 7-7/8% =	836.04
	93,000 x 16/365 x 7-7/8% =	321.04
Sep 77 -	\$ 55,000 x 30/365 x 7-3/4% =	350.34
	(125,000 + 93,000) x 30/365 x 7-7/8% =	1,411.03
	140,000 x 15/365 x 7-7/8% =	453.08
Oct 77 - (Payment made on the 10th)		
	\$ 55,000 x 10/365 x 7-3/4% =	116.78
	(125,000 + 93,000 + 140,000) x 10/365 x 7-7/8% =	772.40 *

(2) Materials and equipment furnished by the Government for installation or use by contractors, except that certain contracts for materials and equipment are included in (1) above, and value engineering.

(3) Damages (actual or liquidated) assessed contractors for failure to complete the contracted work within the time specified by the contract.

(4) Supervision and administration by government forces applicable to work performed by contractor.

b. Accounting for Contractors' Earnings. The gross contractor's earnings on each estimate of work performed (payment estimate) will be distributed to the appropriate feature, subfeature, etc., of work. This distribution will be made by engineers familiar with the work at the time the estimate is prepared. The distribution will be reviewed in the cost accounting section, for conformity with prescribed accounting classification, prior to entry in the cost accounts.

* c. Accounting for Damages Assessed Contractors. Pending final determination by the contracting officer of amounts of damages (actual or liquidated) assessed contractors for failure to complete the contracted work within the time specified by the contract, damages withheld under terms of the contract should be carried as accounts payable. Upon final determination, accounts payable will be liquidated and damages assessed will be credited to project cost accounts as follows. Under General Investigation and General Expenses account structures, the damages will be recorded in a separate column of the feature accounts, as applicable, and will be treated as a reduction in the cost of supervision and administration rather than as a reduction in contractor's earnings. Separate subfeatures are provided under accounts 30, 31, 235, 530, 619, 634, and 635 for such damages applicable to work performed under Construction, General; Flood Control and Coastal Emergencies; and Operations and Maintenance, General appropriations. In the latter instance, such damages will be treated as a reduction in the supervision and administration cost of the applicable project without further identification to other feature accounts.

d. Cost Reimbursable Contracts. This type of contract is used where the property owner performs the work in connection with relocations of facilities, utilities, etc., with the cost being borne by the Government in whole or in part. Funds for this type of work are included in the appropriation "Construction, General" under "Relocations." The cost incurred by the property owner and reimbursed by the Government will be maintained the same as for construction contracts.

ER 37-2-10
Change 46
24 Aug 81

6-8. Hired Labor Work. The term "hired labor work" includes the cost of work performed by Government forces, such as labor cost, materials and supplies used, value engineering, use of construction facilities by those forces, etc., and supervision and administration applicable thereto.

6-9. Forms used in cost accounting are generally described in the paragraphs describing the accounting and reporting procedures. However, certain forms with their uses, particularly those involved in various procedures, are described below:

- * a. ENG Form 2, Summary of Distribution of . . ., is used to summarize basic data by accounts chargeable to be indicated in blank column headings, the costs of labor, materials and supplies, services of plant, and products and services of various facilities such as shops, laboratories, reproduction plants, etc. ENG Form 2 will be summarized on bureau vouchers or journal entries for posting to accounts.
- * b. ENG Form 17A, Cost Sheet-Miscellaneous, is an untitled ledger sheet with 7 detail amount columns and a "total" or "Balance" column. It is used for all cost and income accounts except those for which other special ledger sheets are specified. *
- c. ENG Form 3005, Bureau Voucher (Procurements). Instructions covering the preparation, use and distribution of these bureau vouchers are contained in Chapter 3. Those instructions require that a copy of each such voucher be processed by the cost accounting section in order to assure that all costs applicable to accounts for which subsidiary cost ledgers are required in support of general ledger accounts are promptly recorded.
- d. ENG Form 3006 (For Cost Transfers). This form is furnished in two numbers, 3006a for billing purposes, and 3006 for accrued expenditure purposes. This form is provided for the purpose of effecting cost transfers between civil projects and/or appropriations within the same district, and which do not require the drawing of checks in settlement thereof. ENG Form 3006a is also provided to furnish information for the preparation of bills against district military appropriations, and bills to other government agencies, private parties, etc. (see Chapter 4 for details concerning preparation, distribution and recording). The forms also serve as a field office bill for services and/or materials and supplies furnished by one field unit to another within the same district. When utilized as a field office bill, the issuing field office will prepare one ENG Form 3006 set and one ENG Form 3006a set in original and three copies, retain a copy of the ENG Form 3006a set only, and forward the originals and remaining copies of each set to the receiving office. The issuing office will show on the ENG Form 3006a the appropriation, project and accounts to be credited and

provide a complete description of the articles or services being billed and otherwise complete the form. The receiving office will show on ENG Form 3006 the appropriation, project and accounts to be debited, and otherwise complete the form, retain one copy of the ENG Form 3006 for its files, and promptly forward the originals and the remaining two copies of each set to the district office cost accounting section which will verify or correct the account classifications and return one copy of ENG Form 3006a to the issuing field office and one copy of ENG Form 3006 to the receiving field office with any adjustments in amounts or accounts being indicated on each. The remaining original and copy of each set will be processed and recorded, as prescribed in Chapter 4 for such forms when prepared in the district office.

e. ENG Form 3007, Journal Entry, is provided for the purpose of making transfer entries between accounts within a single project or within the Revolving Fund. For example, this form is the posting medium summary of Form No. 2(Costs) to record the issue of articles from warehouse stock to a plant operation account, both accounts being carried under the Revolving Fund. It is also used to effect distributions of project distributive costs to feature, subfeature, and other accounts. General Journals, by appropriation, may be maintained for recording ENG Forms 3007 and 3009 (par g below), and monthly posting of summary totals may be made directly therefrom to the general ledger accounts rather than from each such separate form.

f. Continuation Sheet. ENG Form 3008, Continuation Sheet (Bureau Voucher or Journal Entry) is provided for use where needed as a continuation for Bureau Vouchers or Journal Entries.

g. ENG Form 3009, Journal Entry (Depreciation, Insurance and Plant Replacement) is provided to reduce to a minimum the work involved in the preparation of posting media for distribution of depreciation, insurance and plant replacement charges. The method best adapted to the item or plant group will be used. The columns are self-explanatory.

6-10 Work Order Cost Accounting Procedures. a. General. The work order cost accounting system provides a means for authorization to perform specific work in accordance with approved budget programs and to specify the accounts and subaccounts for which costs thereof will be recorded. Work orders are used in connection with construction and rehabilitation activities, emergency activities, operation and maintenance, general investi-

1 Apr 69

gations, general expense features and subfeatures, and reimbursable work for others. Each work order will be approved by the District Engineer or his designated representative prior to commencement of the work described therein. ENG Form 3013, Work Order/Completion Report, will be used for Revolving Fund activities (acquisitions and retirements of non-expendable property, reimbursable work for others) unless in the opinion of the District and/or Division Engineer other documents adequately serve the purposes of sound internal control.

b. Forms to be used.

(1) Work order:

- (a) Work Order/Completion Report, ENG Form 3013.
- (b) Detailed Project Schedule (PB2a), ENG Form 2201a, for construction.
- (c) Detailed Project Schedule (PB4a), ENG Form 2203a, for operation and maintenance.
- (d) Study Program Schedule (PB5a), ENG Form 2205a, for general investigations.
- (e) General Expense Schedule (PB7), ENG Form 2206.
- (f) Planning Schedule (PB2b), ENG Form 2213.

(2) Work order cost account:

- (a) Work Order Cost Account, ENG Form 3012.
- (b) Miscellaneous cost account, Form No. 17A(Costs).

(3) Work order forms for shop work may be designed and reproduced locally. Each such form must include provision for the following:

- (a) Description of the work to be done.
- (b) Account or accounts chargeable.
- (c) Estimated cost.
- (d) Estimated completion date.
- (e) Signature of official authorizing the work to be done.

c. Work order forms - general. (1) Copies of the ENG Forms listed in b(1), above, will be used as work orders for project construction, emergency activities, operation and maintenance, general investigations, general expense and planning. They will be used for initial annual authorizations for the work and for interim revisions requiring the approval of higher authority. When allotments and apportionments are not received at the beginning of a fiscal year, work initiated in the prior year may be continued in the current fiscal year under the specific authority published at that time; preparation of special ENG Forms 3013 for this purpose is not required.

(2) ENG Form 3013 will be used to supplement or modify an approved annual PB schedule to authorize necessary subaccounts below the level of features and subfeatures identified in the schedules, or to make minor revisions not requiring submissions of revised PB schedules for approval.

(3) Cross-referencing successive work orders. In order to assure continuity of work order authorizations, each work order revision or supplement of an annual program will be cross-referenced with the annual program or a previous revision or supplement thereto in that fiscal year.

d. Work orders on ENG Form 3013. (1) The work covered by the work order will be within the scope of the approved annual program.

(2) The work order will be submitted by a qualified employee of the technical division in control of the work

(3) The work order will be approved by the District Engineer or his designated representative prior to the date on which actual work is to be started.

(4) A copy of the approved work order will be furnished to the cost accounting section as the basis for the establishment of necessary accounts. If ENG Form 3013 is not utilized for Revolving Fund activities, internal procedures will require prompt notification to the cost accounting section of all authorizations.

(5) Not more than one shop job will be covered by any work order.

(6) Work orders on ENG Form 3013 will be prepared to show separately estimates for hired labor work and for contract work and will be shown in the detail for which actual costs are to be maintained.

(7) For work orders for jobs which extend over more than one fiscal year, the total amount of the work order will be broken down to show the present estimated cost, the cost to the end of the previous fiscal year, the total estimated cost for the current fiscal year, and the estimated balance to complete.

(8) Work Order/Completion Report. ENG Form 3013 will be finalized by reporting the actual quantities and cost of physically completed items. In addition to being a reference document for cost and statistical purposes, this report will serve as the supporting document for transferring costs from the "Construction Work in Progress" account to the appropriate "Plant in Service" account. Transfers from "Construction Work in Progress" account to "Plant in Service" will be effected on the basis of information contained in completion reports and in conformance with the provisions of paragraphs 8-4h and 8-7c. The completed report will also be used as the basis for billing other agencies when a job of reimbursable work is completed. The preparation of this report is the joint responsibility of the engineer in charge of the work, and cost accounting section. The engineer in charge of the work will complete total quantities, sign the statement as to physical completion of the work and forward the form to the Finance and Accounting Branch for completion of actual cost and unit cost data.

1 Apr 69

e. Work Order Cost Account, ENG Form 3012. Separate Work Order Cost Accounts will be maintained on ENG Form 3012 for each feature or subfeature of construction or rehabilitation authorized in a work order. Columns are provided on this form for contractors' earnings or hired labor, Government furnished materials, construction facilities and indirect costs. If a feature or subfeature of work is performed by more than one contractor, ENG Form 3012 may, at the discretion of the District Engineer, be supplemented by ledger sheet, Form 17A (Costs) on which the blank columns could be utilized to record the earnings of each contractor. If a contractor performs work, the cost of which is chargeable to more than one feature, subfeature, or other account, the contractor's earnings will be allocated directly to the appropriate accounts. In the case of work orders covering hired labor work, only one Work Order Cost Account, ENG Form 3012, will be maintained, on which the blank column will be headed "Hired Labor".

f. Miscellaneous Cost Account, Form No. 17A (Costs), will be used to record work order costs for which columnar headings on ENG Form 3012 are not suitable, such as for: lands and damages, operation and ordinary maintenance, general investigations, general expense, acquisitions and retirements of nonexpendable Revolving Fund property, reimbursable work, and shop work.

6-11. Labor Cost Accounting Procedures.

a. Time and labor cost reporting. (1) Forms. Labor includes the cost of all personal services of Government employees utilized for the accomplishment of an item of work. The source of all information regarding labor cost is the authorized daily or biweekly labor cost reports. Daily labor reports will be utilized for activities as the District Engineer deems desirable. Employees Daily Labor Report, Form No. 1 (Costs), is for use in machine shops, boat yards, etc. Daily Labor Report No. 1A (Costs) is for use in other activities where a daily labor report is required. When daily labor reports are not required, biweekly time and attendance reports, such as ENG Forms Nos. 1300, 1300a, 1301 and 1301a, or biweekly labor cost report, ENG Form 1301-B, will be used. ENG Forms Nos. 1300 and 1300a are used for groups of employees where the time worked is chargeable to a limited number of generally unvarying cost accounts. ENG Forms Nos. 1301, 1301a, and 1301-B are used where personnel are engaged on numerous jobs during the period. When the prescribed daily or biweekly labor reports are used, it is also necessary to prepare, for payroll purposes, a biweekly time and attendance report covering the payroll period.

(2) Inspection. Where the daily labor report is used, field inspectors or timekeepers will make sufficient visits to the work each day to insure completeness and accuracy of the daily labor reports made out and submitted by foreman and others. For minor projects, frequent inspections of field records will be made by a representative from the district office, preferably a cost accountant. Without this assistance, foremen unacquainted with cost accounting methods may not be able to properly segregate and distribute the time to work performed under their direction and they should be instructed to cooperate to the fullest extent with such representatives in the proper keeping of records and rendition of reports.

(3) Units of time worked. Labor charges will be made in multiples of full hours only. That is, charges for working time will be rounded off to the nearest whole hour, but care must be exercised to account for neither more

nor less than the total working period. Accordingly, no account will be charged for less than one hour, minor periods of time being absorbed in charges to activities whose time is raised to full hour increments.

b. Methods of Determining Labor Cost Rates. Employees of division and district offices having civil or civil and military work will be paid initially from the Revolving Fund. The "Accrued Leave" account will be charged with the gross earnings of these employees and credited with labor costs distributed. Labor costs applicable to civilian employees will be determined by one of the following methods:

(1) Actual Pay Method. Under this method, the labor cost rates are equivalent to the actual pay rates and the labor costs distributed for each pay period equal the amount of the gross earnings. This method is applicable to the services of (a) employees not entitled to annual or sick leave, (b) other employees entitled to leave with pay but who are transferred to district rolls for pay purposes only, e.g., AFRCE or for temporary purposes such as care and custody of excess military installations pending disposal, and (c) consultants. Government contributions (personnel benefits) for this class of employees will be handled as indicated in paragraph 7-22k(2).

(2) Effective Time Method. Under this method, the labor cost rates for the regular tour of duty consist of actual pay rates increased to include a factor for all leave with pay. * (See formulas for costing of labor in EP 37-1-2.) Labor costs * for night differential, overtime and holiday pay are computed at the actual pay rates. Government contributions (personnel benefits) for this class of employees will be handled as indicated in paragraph 7-22k(1). This method is applicable to the services of employees entitled to leave with pay except as provided in subparagraph (1) above. The effective time method provides the means to:

(a) Charge cost accounts for time actually worked at a rate which will absorb the amount of pay for annual and shore leave accrued, sick or other leave taken, holidays, administrative leave allowed, severance pay entitlement, and continuation pay for traumatic job-related injuries.

(b) Accumulate a balance in the "accrued leave" account to approximate the monetary value of annual and shore leave due employees under the effective time method.

ER 37-2-10
Change 47
30 Apr 82

- * (c) When employees receive cost of living allowance (COLA) it is necessary to compute the COLA on the effective pay rate. This provides the reserve to which the labor cost is absorbed when the employee is on leave. *

(3) Average Rates for Groups of Employees. Under this method, an average effective time hourly rate is established and used for costing labor of employees engaged in a common activity such as shops, floating plant, executive, advisory and administrative functions. Equitable costing as well as economy are prerequisites for use of the average effective labor rate method.

c. Procedure for Determining Labor Costs by Effective Time Method.

- * (1) In January and June of each year the Missouri River Division (MRD) Central Payroll Office will compute the number of effective working days and an effective rate for each FOA. The FOA may modify this rate for known factors such as large over/under distributed balances in the "Accrued Leave" account. The basis for the computation is shown in appendix 6-A-1. A sample of the Central Payroll Office report which will be furnished to each FOA is shown in appendix 6-B-1. Appendix 6-C-1 is COEMIS Software Note Number S-039, which describes how the effective time rate and the Government contribution rate will be included as the effective rate factor in the COEMIS Personnel (PA) Data Base 502 District Record. The cost of overtime, night differential, and holiday time worked will be costed at the actual amount of additional pay earned as converted to a percentage of base pay. *

(2) Care will be exercised to assure that all time worked is properly distributed. When effective time rates are used only noneffective time costs will be absorbed through the "Accrued Leave" account. The actual money value of annual and shore leave accrued but not taken by employees subject to effective time rates is the sum of the products

obtained by multiplying the straight time hourly pay rate for each such employee by the number of annual and shore leave hours accrued to him as shown by the two official leave records. Review of effective time labor rates, to be accomplished in January of each year, as described in (1) above, will include a comparison of actual monetary value of annual and shore leave carried forward to the new leave year with the 31 December balance of general ledger account 345. This comparison usually will require some interpolation of data since the end of the leave year seldom coincides exactly with the end of the calendar year. However, it will not be necessary to actually adjust GL 345 to record the interpolated data. In the event that a variance of over five percent (5%) is revealed (over or under) by the comparison, action will be taken to adjust the accrued leave account balance (GL 345) through revision of rates utilized in the current calendar year for effective labor costs. This will be accomplished through adjusting the effective time labor cost rates by dividing the annual salary by a smaller or larger number of days than the average number of effective working days. Actual value of annual and shore leave as of end of last complete pay period ending in June, computed as above, will be compared with balance of account 345 as of 30 June each year. Should this comparison reveal an undesirable trend in the account, rates used will be adjusted by a percentage increase or decrease to keep within the 5% tolerance at end of current leave year. The effective labor cost rates will be applied uniformly to all work performed by all employees whose time is charged at effective time rates, whether it be civil work, military work, or work reimbursable from agencies outside the Corps of Engineers.

(3) Transfers of Accrued Leave.

- * (a) When an employee is transferred between offices for which accrued leave accounts are maintained under the Revolving Fund, the value of accrued annual and shore leave due the employee will be transferred. Such offices include all CONUS district and division offices, Pacific Ocean Division, Alaska District, Waterways Experiment Station, Cold Regions Research Engineering Laboratory (CRREL), and Construction Engineering Research Laboratory (CERL). An accrued annual leave account is not maintained for employees at such offices as European Division, Far East, Japan, Middle East Division, and HQUSACE. Therefore, the value of accrued leave for these employees is not transferred. The value will be computed by multiplying the hours of annual and shore leave transferred by the hourly payroll earning rate in effect for the employee at the time of transfer out. The Finance and Accounting Officer of the transferor office will obtain notices of such employee transfers from the Civilian Personnel Officer. *

* (b) To insure current recording of like amounts by the offices involved, the transferor office will forward to the transferee office, at time of transfer, a copy of ENG Form 4480 (COEMIS-Accounting Entry/-Reference Document) reflecting the entries for the value of leave transferred out. The transferee office will, in turn, send to the transferor office, as confirmation, a copy of Journal Entry reflecting entries for the value of leave transferred in. In case of disagreement between the two entries or the non-receipt of the confirmation copy within thirty days following the transfer, the transferor office will initiate such action as may be necessary. *

* (4) Transfers of Severance Pay Entitlements. When project work (either Civil or Military funded) is transferred between FOAs which have accrued leave transferred as mentioned in para 6-11c(3)(a), above, severance pay entitlements for employees identified therewith will be transferred to the accrued leave account of the gaining office. Such amounts will be transferred from the losing to the gaining district by use of ENG Form 4480, reflecting a list of personnel and amount of entitlements for each. Procedures for current recording and confirmation of such transfers will be same as provided for accrued leave transfers in para 6-11c(3)(b). Procedures for recording gross entitlements to severance pay are contained in para 4-12. Upon termination of severance payments prior to liquidation of the gross entitlement, losing district will process any necessary adjustment with gaining district through use of ENG 4480. *

d. Payment of payrolls and general disposition of labor costs. Employees will be initially paid from the Revolving Fund. Labor costs will be determined in accordance with subpara b above and will be disposed of as indicated below:

(1) Division Employees. (a) All labor costs will be charged to the appropriate accounts for the division office. When division employees perform services chargeable directly to a project, district, or other agency or appropriation, the reimbursable labor charge for such service will be credited to the division office expense accounts to which the costs of the services were originally charged.

(b) Employees of division laboratories will be paid from the Revolving Fund of the district performing accounting service for the division office. Division laboratories will be operated as Revolving Fund activities, and costs of labor will be determined by the effective time method.

(2) District Employees.

- * (a) District employees labor costs should be charged to their organizational activity account to reflect the cost of performing the assigned function of that activity. However, when employees are temporarily working under the supervision of another organization their costs should be charged to the organizational activity account of the activity performing the supervision. Employees temporarily assigned (loaned) between districts or to another agency will be charged to account 459.97 instead of their normal organizational activity account.

1 District Office. The 460 account includes labor costs incurred in the performance of the district office function. Costs chargeable to area office, job-site, or specific activities such as, laboratories, garage, shop and yards, etc., will be charged directly to those accounts.

2 Area Office. The 464 account includes labor costs incurred in the performance of the area office(s). Costs directly related to projects under the supervision of the area office are credited to the area office account and charged to appropriate project, S&A (465) account, or other Revolving Fund expense, deferred or asset account.

3 Job-Site. Labor costs of employees assigned to a military or civil project and not under an area office supervision will be charged to the 458 account. Distribution will be credited to this account and charged to appropriate project, S&A (465) account, or other Revolving Fund expense, deferred or asset account.

4 Specific activities (i. e., plant, warehouse, and shop and facility accounts). Labor costs of employees assigned to a specific activity will be charged directly to the specific activity instead of the 458, 460, or 464 account. *

(b) The costs of services of key floating plant employees retained at their floating plant pay rates during plant lay-up periods and assigned temporarily to other than their normal duties will be accounted for as follows: The account representing the temporary assignment will be charged the normal rate of labor cost for that assignment; the actual labor cost in excess thereof will be charged to a deferred account established therefor, and subsequently ap-

*

6-14a

6-11d(1)(b)

plied to work performed by the plant during the following operating season. Such charge-offs from the deferred account will be entered in the applicable plant operating expense accounts.

(3) Civil Service Retirement (CSR), Social Security Taxes (FICA), Employees Life Insurance (ELIF), and Federal Employees Health Benefits (EHBF). See paragraph 6-20 and Chapter 7 for treatment of these Government contributions.

(4) PCS House Hunting Trips. The regular duty time of an employee while on an advance house hunting trip will be reported as duty time to the extent authorized by PCS orders. Since the maximum period which may be authorized for a house hunting trip, including travel time, is six calendar days, charge to duty time will never exceed five days. Regular duty time in excess of that authorized will be charged to annual leave or leave without pay as appropriate.

e. Labor Cost Distribution.

(1) Summarization of Labor Costs. All labor costs initially determined from information on individual time reports will be (and for group time reports, may be) summarized by account numbers chargeable, on Summary of Distribution of Labor Charges, Form No. 2 (Costs), or other suitable form, and posted to applicable accounts not less frequently than monthly.

(2) Vouchering Labor Costs.

(a) In accounting for labor costs, Bureau Voucher ENG Form 3006, and Journal Entry, ENG Form 3007, will be used for posting media as appropriate. ENG Form 3007 will be used to credit "Accrued Leave" (GL 345) and charge Revolving Fund accounts. When billing action can be accomplished immediately, ENG Form 3006a will be used to credit "Sales" (GL 401.-) and charge "Accounts Receivable" (GL 313). ENG Form 3007 will be used when labor costs

* are to be applied

to work in progress (GL 317) and against advances (GL 343). Distribution to civil project accounts will be made on ENG Form 3006 or ENG Form 3007, as appropriate.

(b) In cases where there are deductions from employees' pay for such items as subsistence, quarters, utilities furnished or property losses and damages, the debit to "Accrued Leave" and the credit to "Funds with Treasury," or to "Accounts Payable" on ENG Form 3007 prepared in accordance with subparas 4-12b(1) and (2), respectively, will be the amount of the gross earnings less such deductions. In preparing the accounting entries for labor cost distribution on ENG Form 3006, 3006a and 3007, the "Accrued Leave" account will be debited with the amounts of these deductions as gross earnings, and the appropriate accounts representing income for the services furnished, and for the property lost or damage sustained, will be credited.

f. Estimated labor costs for incomplete pay periods at end of month.

(1) Except where the daily labor report is used as the basis for distributing labor cost, such costs for incomplete pay periods at month end will be estimated, and these estimated costs will be taken into consideration in the following month in recording actual labor costs for the full pay period. Either of the methods described below may be followed in distributing such estimated labor costs:

(a) On the same form used for computing (or summarizing) the actual labor cost distribution for the last full pay period of the month, show also the estimated cost distribution for the partial pay period to the end of the month, and the total of both will be distributed to the accounts. Reverse the estimated cost distribution on the summary form when making the distribution for the following full pay period, and the net difference will be distributed to the accounts.

(b) Separately schedule the estimated cost distribution for the partial pay period to the end of the month and distribute to the accounts. In the following month, either reverse the costs so distributed, or (as in (1) above) deduct the estimates from the distribution for the actual costs for the following full pay period and distribute the net difference to the accounts.

(c) Under any method outlined above, the estimated labor earnings for periods estimated will also be entered in the accounts for the period, and reversed in the accounts for the following period.

(2) Estimated civil job-site labor costs accrued to the end of the month will be charged to the applicable accounts for the work,

ER 37-2-10
Change 52
30 Apr 84

if significant in amount; otherwise such costs will be charged to the "Undistributed Job-Site Labor" account of the applicable project. (See paragraph 6-15h).

g. Shore leave earned. The cost of shore leave earned will be charged to the operation account of the vessel and credited to Accrued Leave account. The cost of shore leave is the product of the number of hours of shore leave earned times the hourly effective time rate. Shore leave earned will be reported not less frequently than monthly to the Finance and Accounting Officer either on the labor cost report or by other convenient means.

6-12. Materials and supplies cost accounting procedures. From the viewpoint of cost accounting, materials are articles which through manufacturing, construction and maintenance processes become integral parts of finished products or structures. Supplies are articles which, when applied to the uses to which adapted are consumed but do not become integral parts of finished products or structures.

a. Sources of cost data for materials and supplies include documents such as the following:

(1) Receiving Report, ENG Form 3051, supporting ENG Form 3005 for articles procured whether for stock or directly chargeable to other accounts.

(2) Requisition on Warehouseman, ENG Form 3059, for articles issued from stock.

(3) Property Disposition Voucher, ENG Form 3061, for articles transferred, sold, lost, etc.

(4) Bureau Voucher, ENG Form 3006, for transfers of articles between projects or between the Revolving Fund and a project.

(5) Journal Entry, ENG Form 3007, for transfers of articles between cost accounts within the accounts of a project, or of the Revolving Fund, i.e., not requiring a payment or transfer of funds.

(6) Form No. 2 (Costs), summary of warehouse operating expense as a portion of the costs of materials and supplies handled by warehouse employees.

b. Warehouse stock records. Only those articles carried as stock and recorded on stock record cards will be covered by a stock account. Articles chargeable directly to other accounts although delivered to the warehouse as a matter of economy will not be covered by a stock account. Warehouse Stock (Inventory) Record Cards, ENG Form 3055, supports cost accounts 480-, 41 and 641. (See ER 735-1-1.)

*

- * c. Inventories of stocks of materials and supplies. Complete provisions for stock inventorying are contained in Chapter 9, and ER 735-1-1. *
- * d. ENG Form 4-R (Monthly Report of Receipt and Issue of Materials and Supplies). Use of this form is covered in Chapter 7.
- e. Cost accounting for warehouse operating expenses.

(1) Warehouse operating expenses include all costs involved in the receipt, storage, issue and recording of warehouse stock, including the cost of freight inward on warehouse stock where it is impracticable to include the freight as part of the acquisition cost of the stock. It also includes all warehouse operating costs involved in the handling, etc., of materials and supplies received, inspected and delivered when directly chargeable to other activities than stock accounts. Warehouse operating expense will be distributed to accounts chargeable with issues from stock and with direct procurements as percentages of the cost of stock issued or procurement value of the articles handled. A separate equitable rate of applied warehouse operating expense will be utilized for articles charged directly to activities upon procurement because of the differing amount of total effort expended for such items as compared to stock items.

(2) Forms No. 2 (Costs) will be used to summarize both the amounts of issues from stock and of direct procurements, and to apply warehouse operating expense as a part of materials and supplies cost.

(a) Issues from stock. Total the amounts listed for each account. Compute and add the percentage for warehouse operating expense. The result is the grand total cost of stock issues to the accounts chargeable therefor, to be distributed by the use of ENG Form 3006 or 3007, as applicable.

(b) Direct procurements. Total the amounts listed for each account chargeable. Compute the percentage for warehouse operating expense. The amounts of these percentages are the additional costs to the accounts chargeable for materials and supplies handled by warehouse personnel, to be distributed by the use of ENG Form 3006 or 3007, as appropriate.

(3) Inspection of materials and supplies. Only the inspection of articles by warehouse employees is chargeable to warehouse operating expense. Costs of inspection of an article received at a warehouse, for stock or otherwise, by other than warehouse employees is chargeable either to the account to which the article is charged, if the cost of the inspection is substantial or significant, or to the expense account to which the inspector's time is usually charged.

(4) Cash discounts, and any minor adjustments on purchases of stock that will not distort the unit cost of stock articles, will be credited or charged to the appropriate warehouse operating expense account.

f. Spare parts procured for items of equipment under the same contracts as for procurement of the equipment, such as gates, turbines and generators, will be charged to the accounts charged with the equipment. The cost of replacement in kind of these capitalized spare parts will be charged to operating accounts when acquired.

6-13. Plant and equipment cost accounting procedures. a. The costs of plant operation cover the costs of the services of plant employed on work. The cost of operating and maintaining plant constitutes an important factor in the determination of the total cost of the specific work on which the plant is employed. The methods of maintaining plant operating expense accounts and applying the expenses to work items are explained in Chapter 7.

b. Small tools and equipment include all miscellaneous tools and equipment chargeable to work, but which do not form a direct and integral part of the unit of work. The accounting treatment for small tools and equipment is explained in Chapter 7. Transfers of tools and equipment between projects or between the Revolving Fund and projects are accounted for at appraised depreciated values.

c. Plant Performance Reports.

(1) The following forms have been designed for use in submitting daily or periodic reports to the cost accounting section relative to the operating performance of plant:

(a) ENG Form 27 (Report of Operations - Hopper Dredges).

(b) ENG Form 3735 (Monthly Report of Operations - Sidecasting Dredge).

(c) ENG Form 4267 (Report of Operations - Pipeline, Dipper or Bucket Dredges).

(d) ENG Form 30 (Report of Subaqueous Drilling Operations) exclusive of small or improvised drill boats used for test borings, etc.

(e) (Rescinded.)

(2) ENG Form 25 (Time Distribution of Plant) filled in to the extent applicable, or other form which will more satisfactorily meet local requirements, will be used in submitting reports to the cost accounting section relative to the operating performance of land plant or group items of floating plant. ENG Form 2 (Summary of Distribution of ...) showing mileage or time in use, as applicable, together with accounts chargeable, should normally meet the requirements of the cost accounting section for cost distribution purposes.

* (3) ENG Form 4566 (General Purpose Standard Rate Input Form) will be used for the standard rate automatic distribution of plant and facility accounts. *

6-14. Real Estate Acquisition Cost Accounting Procedures. To assure consistency of cost reporting and scheduling of real estate acquisitions, pertinent ENG Forms 3005 will be prepared and recorded in the accounts at the time specified below:

a. Acquisition by Direct Purchase (fee, easements and lesser interests). Immediately upon acceptance of the option by the contracting officer, and acceptance of transfer from another Government agency for those transfers requiring reimbursement.

ER 37-2-10
Change 49
2 May 83

b. Acquisition by Condemnation - Declaration of Taking (fee, easements and lesser interests) - at the time check is required to be drawn for the Clerk of the U.S. Court.

c. Acquisition by Condemnation - Complaint and Order of Possession without a Declaration of Taking (Fee, easements and lesser interests) - at the time check is required to be drawn for the Clerk of the U.S. District Court for settlement by stipulation or judgment.

d. Deficiency Judgment Payments - at the time the check, in satisfaction of the judgment is required to be drawn for the Clerk of the U. S. Court.

6-15. Accounting for Deferred and Undistributed Items. a. General. It is obviously desirable, so far as possible, to make direct charges to the accounts for work components, so as to minimize the accumulation of deferred and undistributed items requiring later distribution on some equitable basis. This requires of the cost accountant a certain amount of discretion, as well as a thorough knowledge of the work in progress. The detail accounting treatments of deferred and distributive costs are discussed in Chapters 7 and 8. Some of the items for which separate accounts are prescribed are listed and discussed generally below:

- (1) Construction facilities.
- (2) Unapplied payments to contractors.
- (3) Operation and maintenance of construction facilities.
- (4) Operation and maintenance expense during construction.
- (5) Stocks of materials and supplies.
- (6) Unapplied advances for accrued costs.
- (7) Undistributed job-site labor.
- (8) District (general) overhead.
- (9) Area office overhead.
- (10) Project office overhead.

b. Construction facilities include such items as project-owned construction plant, tools and equipment; and project-owned temporary facilities required for construction of the project and normally disposed of following construction, including office buildings, shops, warehouses, storage yards, water works and sewage disposal and communications systems. An account will be maintained for each item or group of like items of construction facilities, which will reflect the first cost, additions, retirements, accumulated depreciation and undepreciated value. An account will be maintained for recording the costs of mobilization and demobilization of construction plant, tools and equipment, the amortizations thereof, and the unamortized balance; or a separate subaccount

1 Apr 69

may be maintained for any item of plant if deemed essential in order to allocate or distribute the amortizations to particular project features or subfeatures. Also, where appropriate, a similar account or accounts will be maintained for recording the costs of transfer of temporary facilities to the project and preparation for removal therefrom. Generally, depreciation of construction plant will be charged monthly, and depreciation of temporary facilities and amortization of costs relating thereto will be charged annually to appropriate accounts for operation and maintenance of construction facilities. Generally, depreciation of tools and equipment, and amortization of the costs of mobilization and demobilization of construction plant, tools and equipment will be allocated or prorated annually to project features or subfeatures.

c. Unapplied payments to contractors includes payments to contractors in advance of the performance of work or service. Examples are payments to a construction contractor as advances for materials delivered to a project, the amounts of such advances to be adjusted as the materials are incorporated in the work; and payments to owners of utility lines constructed to furnish service to projects. In the latter example, the entire payment may be recouped by reductions in bills for utility service, or a portion only may be so recouped. Separate subaccounts will be maintained for each contractor, and, in the case of each utility company, for each method of amortization of the payment. Payments to the utility companies which will not be recouped will be amortized to "Maintenance and Operation - Temporary Construction Facilities;" recoupable amounts will be amortized to the accounts chargeable with the utility service.

d. Operation and Maintenance of Construction Facilities. Accounts will be maintained for recording the costs of depreciation and all other costs of maintenance and operation of each item or group of like items of project-owned construction plant that are chargeable to specific project features and subfeatures on the basis of units of work performed or days of use. Other accounts will be maintained for recording the costs of depreciation, maintenance, and operation of temporary construction facilities, and, for applicable such facilities, the amortizations of costs of transfers to and preparation for removal from the project; and of amortization of the unrecoupable portions of unapplied payments to contractors for construction of utility lines to the project. Corresponding credit accounts will be established as appropriate for recording receipts from sales of services creditable to Miscellaneous Receipts. Also, corresponding credit accounts will be established for recording both sales, the receipts from which are creditable to project funds and distributions of the net costs of operation and maintenance. Distributions of the net cost relating to construction plant will usually be made monthly as direct costs of project features and subfeatures; while the net costs relating to temporary construction facilities will usually be allocated or prorated annually throughout their use to applicable feature, subfeature or other accounts.

e. Operation and Maintenance of Permanent Project Facilities During Construction. Permanent facilities such as residences, warehouses, utilities, etc., intended for subsequent use in connection with operation and maintenance of the completed project, which are utilized for construction purposes during the construction period are regarded as components of the completed project and not as construction facilities. Accordingly, the only distributive costs in connection therewith during construction are the actual costs of operation and maintenance. Such distributive costs are accounted for as "Operation and Maintenance Expense During Construction," as explained in Chapter 8.

f. Stocks of Materials and Supplies procured with project funds will be accounted for similarly as for those procured with the Revolving Fund.

g. Unapplied Advances for Accrued Costs. In order to meet deadlines established for submission of monthly Report on Status of Appropriations, ENG Form 3011A, it may be necessary in some instances to process billings, determined on an estimated basis, between projects, or from the Revolving Fund to projects, for costs accrued to the end of the month for services rendered or materials and supplies furnished. For this purpose the account "Unapplied Advances for Accrued Costs" is included among the cost accounts. Details of procedure for accounting for these costs are as follows:

(1) Bureau Vouchers, ENG Form 3006, will be prepared for the estimated accrued cost distributions, entered in the appropriate registers and posted to the accounts in the same manner as for other accrued expenditure and accrued income transactions, except that entry is made in "Unapplied Advances for Accrued Costs" accounts instead of directly to cost and income accounts.

(2) Upon the later determination of the accrued costs on an actual cost basis, Journal Entry, ENG Form 3007, will be processed to credit income accounts and debit the advance account among the creditor accounts; and another ENG Form 3007 will be used to debit the individual cost accounts and credit the advance account among the debtor accounts.

* (3) The balances in the advance accounts may be closed out by use of ENG Form 3006 as of the beginning of the following month, or they may remain open and be taken into consideration as adjustments in billing during the month.

h. Undistributed Job-site Labor Costs. For those projects for which it may be considered impracticable to distribute to the feature or other

accounts the total estimated job-site labor costs accrued to the end of the month, such undistributed portion will be charged to "Undistributed Job-Site Labor" account. The estimated costs accrued to the end of the month and charged to either individual projects accounts or to "Undistributed Job-Site Labor" accounts are adjusted or cleared by deducting them from the actual labor costs summarized for the first full pay periods ending in the following month, as explained in paragraph 6-11f.

i. District (general) Overhead Costs, determined and distributed in accordance with Chapter 7 will be charged to projects and to reimbursable work. District overhead billed to civil projects will be charged to the project account "Supervision and Administration," further discussed in Chapter 8.

j. Area office overhead costs include all expenses of operating an area office, which cannot be definitely and accurately allocated to specific items of work. Such costs will be distributed to the work supervised in a manner similar to that provided for district overhead.

k. Project office overhead is a part of the costs of "Supervision and Administration," further discussed in Chapter 8.

l. Insurance. Details concerning the "Insurance" account are contained in Chapter 7.

m. Value Engineering Prior to Award of Construction Contract. Details concerning value engineering are contained in Chapter 7.

6-16. Costs of Security guarding will be charged to the account representing the work or facility guarded. If the facility guarded is a shop, warehouse, or office, the costs of security guarding will be charged to the operating expense account for such facility.

6-17. Payments to States from Grant Revenues. The portion of revenues derived from grants to be returned to the states will be recorded on an
* accrual basis as of 30 Sept each Fiscal Year in the prescribed accounts for the applicable projects. Adjustment of accruals will be made as current fiscal year transactions at the time of receipt of disbursement voucher information furnished by the Chief of Engineers (see paragraph 4-9e of this regulation).

6-18. Accounting for Nonexpenditure Transfers to Other Government Agencies. Funds transferred from Civil appropriations to other Government agencies as nonexpenditure transfers (SF 1151) for district activities will be accounted for in accordance with para 5-11b.

1 Apr 69

6-19. Transfer of Projects between districts. The costs of projects or parts of projects transferred between districts must be included in the accounts of the receiving district. Such costs must be in complete agreement with accrued expenditures to date prior to transfer. Copies of the Cost and Progress Summary Report reflecting financial status as of the date of transfer, together with subsidiary cost ledgers for the transferred projects or portions thereof will be transferred to the receiving districts. The transferring district will also furnish to the receiving district copies of Journal Entries, ENG Form 3007, prepared to record the transfer, which will be used by the receiving district as the basis for contra entries in its records. Other records and data will also be transferred, to the extent necessary and practicable, considering the conditions involved in individual cases, to enable the receiving district to properly and efficiently continue operations. (See also paragraph 2-10).

6-20. Civil Service Retirement (CSR), Social Security Taxes (FICA) Employees Life Insurance Contributions (ELIF) and Federal Employees Health Benefits (FEHB). Cost accounting and distribution procedures for Government contributions to the Civil Service Retirement Fund, Federal Insurance Contributions Act, Employees Life Insurance Fund and Employees Health Benefits Fund are included in Chapter 7.

6-21. Financial Property Accounting. Accounting for property so as to provide acceptable monetary and item control will be accomplished as follows:

a. Revolving Fund Property. (1) The amounts reflected in all the accounts cited below will represent the values applicable to those assets for all financial statements.

(2) An asset cost account will be maintained for each installation (account 470.-), for each structure (account 471.-), and for each item of plant (accounts 472.- thru 475.-). Comparisons will be made periodically (at least every three years) between property item records and these accounts to verify that cost accounts are maintained for all such items of property.

(3) Asset cost accounting is also provided for other nonexpendable property assigned to plant (included in accounts 472.- thru 475.-) and facilities (account 476.-), and general use tools, office furniture and equipment (account 477.-). Details for such property are included in records maintained in accordance with ER 735-1-1. Monetary agreement between property records and asset cost account amounts is not required.

- * b. Property Documents. (1) Under the provisions of ER 735-1-1, copies of all property vouchers evidencing the movement of property and affecting property record card balances will be furnished the Finance and Accounting Branch for appropriate accounting treatment. (Those not requiring cost entires, such as transfers of property between responsible employees within the same cost account classification, will be annotated as to the intra-account involved and returned to the Property Section for information purposes). The amounts shown on the property vouchers based on the property records will be posted to applicable cost accounts. If validity of the amount or propriety of accounting treatment is doubtful, the document(s) will be verified with Property Section. Individual transactions will be recorded currently; they will not be ignored or deferred for adjustment action based on annual inventories.

(2) In order to provide effective control over the receipt of property vouchers, a register of property voucher numbers will be maintained in the Cost Accounting Section. It will consist of a list of numbers in sequence which will be checked off as documents are received from the Property Branch. At the end of each month, verification will be made of the last document issued and open numbers in the list will be investigated.

(3) Copies of Revolving Fund work order completion reports, ENG Form 3013, for acquisitions, additions and betterments of fixed land plant (account 476.-) will be furnished the Property Section for use in posting values reflected thereon to property records, as applicable.

6-22. Rounding-off Minor Accounts. a. General. The rounding off of rates and amounts as outlined below will be utilized whenever it is advantageous and equitable to do so.

b. Rates. Effective time labor rates computed in accordance with para 6-11c may be rounded to the nearest tenth of a dollar, e.g., a rate computed at \$2.88 would be rounded to \$2.90. Rates utilized for computing charges for depreciation, overhead, plant rentals, plant operations, facility accounts, etc., may be rounded to the nearest significant equivalent which would not result in inequity. This could result in the selection of rates rounded to the nearest \$0.001, \$0.01, \$1, \$5, \$10, etc., depending upon the relative effect of the rounding.

1 Apr 69

c. Computations and Billings. Amounts computed for use in distribution of labor, overhead, operating accounts, etc., relative to internal installation transactions and billings to Corps of Engineers installations may be rounded to the nearest dollar. For example, assuming an account is chargeable with eight hours of labor @ \$2.80, the computed amount of \$22.40 would be rounded to \$22. Billings to installations other than those of the Corps of Engineers and to private parties should be processed at the computed amount (in the above example \$22.40).

d. Rounding Principle. In rounding rates and amounts to the nearest selected unit, when an amount falls exactly halfway between, it will be rounded to the nearest even figure, e.g., both \$11.50 and \$12.50 will be rounded to \$12; both 75c and 85c will be rounded to 80c.

6-23. Contingent Liability Records.

a. Definition. As defined in the GAO Manual for Guidance of Federal Agencies, a contingent liability is one which is related to a transaction or event which may or may not become an actual liability in consequence of a future event; and further, the uncertainty as to whether there will be a legal liability differentiates a contingent liability from an actual liability.

b. Memorandum Record. A memorandum record of contingent liabilities should be maintained as a part of the cost accounting system. This record should list claims and other contingent liabilities by project, further classified as follows: Contractor Claims under review at District or Division level; Contractor Claims under review at OCE or higher level, such as at US Court of Claims; Tort Actions; and Other (such as statutory claims involving settlements under Indian land claims). As a minimum, each entry to the memorandum record should include the date of the claim or other action, the name of the claimant or payee, a brief description of the nature of the potential liability, the amount demanded by the claimant or other potential creditor, and the date and actual amount of settlement. In addition, the record of contingent liabilities applicable to multiple purpose projects should contain sufficient information as to accounts chargeable to permit assignment to project purposes for reporting purposes.

c. Source of Data. The basic information to be included in the record is contained in the files of the Office of the Chief Counsel and of the Construction/Operations Division; therefore, close liaison and coordination with those units must be maintained by the Finance Accounting Officer in order that the memorandum record may be adequately maintained. With respect to claims submitted to OCE or higher level for review, when such claims are resolved, the District Commander, ATTN: Office of the Chief Counsel, is advised by letter from OCE of the amount and nature of the disposition. Based on such advice, the contingent liability will be deleted from the memorandum record.

d. Financial Reporting. Contingent liabilities will be reported on the Post-closing Trial Balance (Chapter 20). In addition, contingent liabilities applicable to the power purpose for multiple purpose projects with power will be disclosed by footnote on FPC Forms No. 1 (RCS FPC-1002). Footnote disclosure, detailed to show amounts applicable to each project purpose, will also be made on the Supplemental Statement of Assets and Liabilities submitted with FPC Forms No. 1 (ER 37-2-11).

* e. Accounting for Claims Settled at HQUSACE/OCE or Higher Level. As
* stated above, the District Commander is informed by HQUSACE/OCE of disposition of such claims. Any resulting payments from project funds will be accounted for in the same manner as project fund claims settled at District or Division level. However, payments may be made from other than project funds, such as funds available to the Department of Justice or GAO. Such payments will be recorded in applicable project cost accounts in accordance with proforma entry, para 2-22f(25). In some instances Court of Claims judgments may involve collection of monies due the Government under a counterclaim; while such collections are deposited to the US Treasury by Department of Justice, they should be credited to applicable project accounts with contra debit to GL 135.2.

6-24. GSA Space Costs.

a. GSA space costs for each field operating activity, determined from current user charge lists, will be allocated to Civil and Military activities on the basis of the relative number of personnel occupying GSA space. Space costs allocated should include a proper share of common space; i.e., conference rooms, parking lots, etc. Personnel occupying space for which payment is not made to GSA; i.e., dredges, Civil and Military project offices, etc., should be excluded from the formula for allocation of space costs to the Civil and Military activities.

* b. Payments to GSA for all DA space costs will be made by HQUSACE/
OCE. Funds for payments of the Corps of Engineers Civil share will be obtained quarterly, in advance, from field operating activities by reverse billings. Operating activities shall submit check with copy of SF 1080 to the District Commander, Ft. Worth. Most field operating activities will need to resort to advance of funds procedures to provide the Revolving Fund with sufficient cash to accomplish the quarterly advance payments. Space costs applicable to Military activities will be funded to HQUSACE/OCE by HQDA from O&MA funds, and will be costed in accordance with ER 37-345-10. *

- * 6-25. Accounting for Costs of Troop Construction and/or Work Accomplished in Connection with Troop Training Exercises. Costs of Troop labor, equipment, and supplies associated with a Civil Works project, other non-DOD activities, or organizations outside the Federal government will be reimbursed as follows: *

a. The total construction or other cost to be recorded to a Civil Works project or activity shall be the lesser of:

(1) The Cost of the Corps of Engineers, including the cost of support by other components of the Department of the Army whether funded or unfunded, or

(2) The estimated cost of having the construction or other services accomplished by a private business.

b. Support costs by other components of the Department of the Army shall include, but not be limited to the following:

- * (1) Out-of-Pocket Cost. Those costs which are in addition to the normal operating expenses of the personnel and equipment involved. These would include items such as per diem, travel, transportation of personnel, supplies and equipment with prescribed accessorial charges as applicable, consumable items of supplies, repairing or reconditioning nonconsumable items returned, supplies and equipment not returned or damaged beyond economical repair, fuel, petroleum, oil and other lubricants, other operating and maintenance cost of equipment and rental of equipment.

(2) Troop Labor. Cost of personnel will be based on the standard rates (including PCS travel rates) prescribed in the most recent DA message, subject: Composite Standard Rates for Costing Military Personnel Services. These rates will be increased to provide for the cost of retirement and certain other benefits prescribed in para 17-6b (2), AR 37-108.

(3) Depreciation of Troop Equipment. Cost for depreciation of troop equipment should be based on the latest revision of the hourly rate tables in DOD Directive 7040.2 for equipment depreciation.

(4) Free Issue Materials and Supplies. Cost for free issue materials and supplies will be made on the basis of cost if known or fair market value.

c. A DA Form 2544 (Intra-Army Order for Reimbursable Services (IAO)) will be prepared to establish the obligation for the support costs. The amount of IAO shall be limited to paragraph 6-25a, above.

(1) For reimbursement of troop labor a single check will be prepared and submitted monthly by reverse SF 1080 procedures to "Centralized Pay Operations, Disbursing and Accounting Division, U. S. Army Finance and Accounting Center, Indianapolis, IN 46249." The reverse 1080 will include and separately identify the portion of reimbursement applicable to (a) troop labor for credit to the MPA appropriation as specified in paragraph 17-5, AR 37-108, and (b) the factor for retirement of military personnel for credit to Miscellaneous Receipts as specified in paragraph 1-5b(7)(c), AR 37-27, interim change 3, dated 6 November 1975.

(2) The reimbursement for the out-of-pocket, equipment, and supply costs will be remitted to the appropriate CONUSA or Unified Commander furnishing the military support. This will be remitted in sufficient detail to permit crediting to the proper appropriation.

(3) In the event the costs exceed the amount authorized on the IAO, reimbursement will be made in the following priority: (a) out-of-pocket cost, (b) troop labor, and (c) equipment and supply costs.

d. Costs of troop labor, free-issue materials and equipment, and other free services furnished by others, at the request and under the direction and control of the Corps on disaster assistance projects, will be accounted for on a memorandum basis. Use of such data is solely for the after action report and statistical purposes. Reference PL 93-288 and ER 11-2-320, paragraph 8.f.

e. Substantive costs as pertains to paragraph 6-25 shall be defined as those costs which exceed 5 percent of the total project or activity costs or \$200, whichever is less.

*** 6-26. Executive Direction and Management Functions and Centralized Activities Functions.**

a. Definitions.

(1) Executive Direction and Management (ED&M) is defined as all administrative and staff supervision functions assigned to a level of organization whose missions are to establish policy, develop guidelines, review performance, and otherwise manage the direction of work accomplished by other organizations in the Corps of Engineers. ED&M takes place in the Office, Chief of Engineers and in Division Offices.

*

- * (2) Centralized activities are functions that can and normally would be performed at District Offices but for economy and/or efficiency are centralized in OCE, Division Offices, and/or Support Centers, and can be identified as having a direct benefit to Civil Works projects, Military projects, or reimbursable activities.

b. Expenses incurred for the ED&M of Civil Works activities by the Office, Chief of Engineers (OCE) and Division Offices will be charged to the General Expense (GE) appropriation. Similar expenses incurred for Military activities will be charged to the Operation and Maintenance (O&MA) appropriation. Examples of these functions are:

(1) Preparation, publication, and distribution of Engineer Regulations, Technical Manuals, Pamphlets, and Circulars, which establish policy and guidance to Field Operating Activities (FOA) of the Corps.

(2) Centrally designed, developed, and administered systems which imposed standardization on Corps FOA. These activities essentially have the same effect as paragraph b(1) above.

(3) Functions that impose report requirements on FOA, the purpose which is to review and manage performance of the FOA.

(4) Preparation, publication, and distribution of contract clause or design criteria which impose standardization and policy on Corps' FOA. These have the same effect as those in paragraph b(1) above.

(5) Development of public information (not specific information) for dissemination to the public to enhance the Corps image. This involves preparation and dissemination of films, pamphlets, brochures, etc.

The exceptions to the above are:

(1) When the Corps accepts a program that is requested by and financed by a Federal Agency (such as HHS, EPA, FDAA), or by a non-federal entity (such as a State or Foreign Government or private enterprise). In these cases, a support surcharge must be developed by analyzing the extra effort required by the ED&M Office in support of that program. The surcharge will then be reimbursed by that program to the ED&M Office incurring the effort.

(2) When the ED&M Office is specifically requested by the District or other FOA to furnish assistance in resolving specific problems. In this case, the ED&M Office may bill the requesting FOA for the cost.

c. Each centralized activity not listed below must be separately justified and specifically approved for use by DAEN-RMZ after coordination with appropriate OCE Directorates. The expenses incurred for *

centralized activities will be recorded in cost centers (separate account for each activity) and distributed to the FOA or projects which benefit from the activity. The centralized account distribution will have a sound basis for the method used and will be consistently applied. Centralized activities approved for distribution to FOA are:

- (1) ADP Centers which process work for more than one FOA.
- (2) All costs of the Chief of the Division Audit Branches and cost of their staff incurred in performing staff functions will be charged to the Division O&MA or GE funds. Costs of their staffs while performing audits for the districts will be a joint cost credited to their VW55 account. Auditors assigned to field locations will be assigned to and their costs charged to the VW55 account.
- (3) Centralized Division Laboratories which conduct tests for more than one district or FOA.
- (4) Centralized Design Centers which accomplish specialized design for more than one FOA.
- (5) F&A Centers which provide the accounting support for more than one FOA.
- (6) Centralized Real Estate Services for more than one FOA.
- (7) Reservoir Control Centers which control water release for projects in more than one district.
- (8) Diamond Bit Operations which are centralized for the whole Corps.
- (9) Division Aircraft Operation.
- (10) Long Term Training.
- * (11) Centralized Personnel Office which provides support for more than one FOA. *

d. Should future events dictate a need for special treatment, you should submit these with appropriate justification to DAEN-RMZ.

* 6.27. Accounting Procedures Under Lease Purchase Contracts.

a. Lease payments are charged as an operating expense to the activity for which the property is leased. Property acquired under a lease purchase contract will be capitalized at the time the decision to purchase is made. Normally the decision to exercise the option to purchase is made after the equipment is delivered and used for a period of time. Usually a portion of the amount paid as rental is allowed toward the acquisition price. When the property is acquired by the Revolving Fund, the expenditures charged to the plant acquisition account is subject to available PRIP authority and allocation.

(1) Cash payment to the contractor upon acquisition is charged to the plant acquisition account.

(2) The amount of the rental payment allowed toward the purchase price is to be charged to the asset account and credited to the operating expense account.

(3) The amount of depreciation that would have been taken if the asset had been purchased originally will be computed and charged to the operating expense account with contra entry to the depreciation account.

b. If a lease purchase contract contains provision that after a certain number of lease payments the title will pass to the Government without further costs, the value of the equipment will be capitalized upon award of the contract with the accounting treatment a charge to the asset acquisition account and contra entry to the accounts payable. As lease payments are made, the account payable will be reduced. *

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Annual Leave Category	Number of Employees	Total Regular Salaries	Effective Workdays Per Employee	Total Effective Workdays (Col 2 x Col 4)	Total Work- days (Col 2 x 260)	Base Salary Amount (Col 3 ÷ Col 6) Col 5	Effective Rate (Col 3 ÷ Col 7)
Line A	0	0	0	244	0	0	0	-
Line B	4	59	\$544,279	231	13,629	15,340	\$483,570	-
Line C	6	263	\$4,074,461	224	58,912	68,380	\$3,510,304	-
Line D	8	416	\$8,293,742	218	90,688	108,160	\$6,954,304	-
Totals	-	738	\$12,912,482	-	-	-	\$10,948,170	117.9418

Regular workdays per year (52 weeks x 5 days)

Less: Noneffective regular time:

Annual leave

Sick leave, military leave, etc. (average)

Holidays

Net number of effective working days

Annual Leave Category 0	Annual Leave Category 4	Annual Leave Category 6	Annual Leave Category 8
260	260	260	260
0	13	20	26
7	7	7	7
9	9	9	9
244	231	224	218
(To line A, Col 4)	(To line B, Col 4)	(To line C, Col 4)	(To line D, Col 4)

APPENDIX A
Effective Rate Computation Method

FROM: WRD CENTRAL PAYROLL OFFICE - PORT: NO MATCH FOR DIVISION CODE
OMAHA, NEBRASKA

REPORT AS OF 1981 JAN 03 PAYROLL BLOCK 20

ANNUAL LEAVE CATEGORY	NUMBER OF EMPLOYEES	TOTAL REGULAR SALARIES	EFFECTIVE WORK DAYS PER EMPLOYEE	WEIGHTED BASE SALARY AMOUNT
0				
4	178	\$2,265,263	234	\$2,038,736
6	485	\$12,327,842	223	\$10,573,495
8	576	\$20,883,091	218	\$17,509,668
TOTALS	1,239	\$35,476,196		\$30,121,899

EFFECTIVE RATE = 001.17 %

	ANNUAL LEAVE CATEGORY (0)	ANNUAL LEAVE CATEGORY (4)	ANNUAL LEAVE CATEGORY (6)	ANNUAL LEAVE CATEGORY (8)
ANNUAL LEAVE:				
HOURS TAKEN		5,281	61,369	103,567
HOURS BALANCE		3,122	68,498	124,630
DOLLAR BALANCE		\$23,507	\$927,094	\$2,240,496
LEAVE TAKEN:				
SICK	HOURS 000000	DAYS (AVERAGE) 0.00	HOURS 5,508	DAYS (AVERAGE) 6.59
MILITARY		0.00		0.16
ADMINISTRATIVE		0.00	22	0.01
LAW ENFORCEMENT		0.00		0.00
MILITARY FUNERAL		0.00		0.00
HOME		0.00		0.00
TRAUMATIC		0.00		0.00
			312	0.03
ANNUAL LEAVE RATE	0.00	13.00	20.00	26.00
HOLIDAYS	7.00	9.00	9.00	9.00
REGULAR WORK DAYS PER YEAR	260.00	260.00	260.00	260.00
EFFECTIVE WORK DAYS PER EMPLOYEE	0.00	234.00	223.00	218.00

NOTE : AVERAGE ANNUAL LEAVE EARNED DOES NOT INCLUDE THE NUMBER OF EMPLOYEES UNDER THE ZERO LEAVE CATEGORY. HOWEVER, THE EMPLOYEES IN THE ZERO LEAVE ARE CONSIDERED IN THE AVERAGE DAYS OF SICK, MILITARY, ADMINISTRATIVE, FUNERAL, & LAW ENFORCEMENT LEAVE.

(Does Not Include Any Value for Short Leave Balance Per ER 690-1-600)

APPENDIX B

ER 37-2-10
Change 47
30 Apr 82

6-B-1

BEST COPY AVAILABLE

APPENDIX C

SOFTWARE NOTE NUMBER S-039

Problem Origin: OCE Response by: H. G. Lathrop
Problem Number: N/A Date: 24 August 1973
Program Number: None Information to: All

Description of Problem: A possible misinterpretation of the instructions contained in the Conversion Manual and User's Manual (EP 37-2-1) relative to the Effective Rate Factor in the Pay Data Base, including the Government Contributions Factor contained in the 015 record. Some districts have reasoned that the Government Contributions Rate is not a part of the Effective Rate Factor in the Pay Rate Data Base.

Response: To prevent any misunderstanding, we recommend the districts consider the following:

Assumptions:

1. Effective Time Rate 121% as computed in accordance with chapter 6, ER 37-2-10.

2. Net Estimated Payroll for Year	\$4,000,000
Divided by 121% x 21% =	694,215
Noneffective Labor Costs	\$3,305,785

3. Districts Estimated Government Contributions Cost for the year, (includes carry over balance from previous year, plus or minus) (ER 37-2-10, para 7-22k)	\$ 320,000
---	------------

Conclusion:

$320,000 \div 3,305,785 = 9.68\%$
Rounded to 10% represents the Effective Government Contributions Rate.

Effective Time Rate	121%
Effective Government Contributions Rate	10%
Total Effective Rate Factor	131%

Therefore, the Effective Rate Factor to be included in Record Type 500 of the Pay Data Base is 131.

6-C-1

ER 37-2-10
Change 47
30 Apr 82

The GVCNTFCT percentage of 0739 in the Data Base Index Code, of the 015 record, is arrived at by the following computation.

$$9.68 \div 131 = 07.39\%$$

You now can determine how close you will be at year end in your distribution to the 447 account by making the following computation.

Actual Labor Costed	\$3,305,785
Multiplied by Total Effective Rate	131%
Equals - Total Labor Costed	<u>\$4,330,578</u>
Multiplied by Gov't Contribution Rate	07.39%
Equals amount to account 447	<u>\$ 320,030</u>

6-C-2

Chapter 7

REVOLVING FUND COST (SUBSIDIARY LEDGER) ACCOUNTS

<u>Topic</u>	<u>Paragraph</u>
Purpose	7-1
Accounting Policy	7-2
General Ledger Accounts	7-3
a. Balance Sheet Accounts	
b. Operating Accounts	
Principles of Departmentalization	7-4
a. Purpose of Departmentalization	
b. Plant and Equipment Services Department	
c. Warehousing Activities Department	
d. Shop and Facility Services Department	
e. General Administrative Services Department	
Concepts of Expense, Income and Accrued Expenditures	7-5
a. Operating Expense	
b. Cost of Goods Sold	
c. Income from Sales	
d. Application of Accrued Expenditures	
Principles of Revolving Fund Subsidiary Cost Accounts	7-6
Chart of General Ledger Control Accounts and Subsidiary Cost Accounts	7-7
Definitions of Subsidiary Cost Accounts	7-8
Asset Accounts	7-9
a. 470.- Land (General Ledger Account 301.1)	
b. 471.- Structures (General Ledger Accounts 301.2 and 302)	
c. 472.- thru 476.- Operating Equipment (General Ledger Accounts 301.2 and 302)	
d. 477.- Tools, Office Furniture and Equipment (General Ledger Accounts 301.2 and 302)	
e. 478.- Plant Acquisition Work Orders (General Ledger Account 307)	
f. 479.- Plant Retirement Work Orders (General Ledger Account 308)	
g. 480.- Warehouse Stock (General Ledger Account 315.1)	
h. 480.21 Plant Inventories (General Ledger Account 315.2)	
i. 481.- Work in Progress for Others (General Ledger Account 317)	
j. 482.- (Reserved)	
k. 483.- Other Deferred and Undistributed Accounts (General Ledger Account 325.2)	

ER 37-2-10
Change 56
15 Aug 85

<u>Topic</u>	<u>Paragraph</u>
Investment Accounts	7-10
a. 487.- Transfers - Other Governmental Agencies (General Ledger Account 333.1)	
b. 488.- Transfers - Other Districts Revolving Funds (General Ledger Account 333.2)	
c. 490.- Nonoperating Income (or Loss) (General Ledger Account 338)	
Liability Accounts	7-11
a. 491.- Advances for Services and Commodities (General Ledger Account 343)	
b. (Reserved)	
c. 493.- Accrued Leave (General Ledger Account 345)	
Operating Reserve	7-12
495.- Insurance Account (General Ledger Account 351)	
Operating Accounts	7-13
a. 421.- and 422.- Plant and Equipment Services (General Ledger Account 337, 401 and 415)	
b. 425.- thru 427.- Warehousing Activities (General Ledger Accounts 337, 401, 414 and 415)	
c. 430.- thru 459.- Shop and Facility Services (General Ledger Accounts 337, 401 and 415)	
d. 460.- General Administrative Services (General Ledger Accounts 337, 401 and 415)	
* e. 465.- MILCON Supervision and Administration (S&A) (General Ledger Accounts 337, 401 and 415)	
f. 466.- O&M Supervision and Administration (S&A) (General Ledger Accounts 337, 401 and 415)	*
g. 467.- OCE Centralized Activities (General Ledger Accounts 337, 401 and 415)	
h. 468.- OCE-sponsored Training Program	
i. 469.- OCE Expense Account	
Acquisition of Land, Structures and Equipment	7-14
a. Classification	
b. Acquisition Work Orders and Accounting	
c. Acquisition Cost	
d. Cost Account Ledger Forms	
e. Nongroup Operating Expense Cost Accounts	
f. Group Operating Expense Cost Accounts	
g. Additions and Betterments	
Depreciation of Structures and Equipment	7-15
a. Provision for Depreciation - Structures and Equipment (General Ledger Account 302)	
b. Depreciation Rates	
c. Depreciation Computations	
d. Depreciation - Tools, Office Furniture and Equipment	
e. Depreciation, etc., - Structures utilized by other Governmental Agencies	
f. Depreciation - Frequency of Charges	

7-0

7-11

<u>Topic</u>	<u>Paragraph</u>
Retirement, Transfer and Conversion of Plant, Properties and Equipment	7-16
a. Methods of Disposal	
b. Transfer	
c. Retirement	
d. Insurable Property Losses and Damages	
e. Transfer and Retirement of Tools, Office Furniture and Equipment	
f. Conversion of Plant	
Function of Plant Operation Accounts	7-17
a. Classification	
b. Nongroup Plant Operating Expense	
c. Group Plant Operating Expense	
d. Tool Replacement and Expense Costs	
e. Plant Inventories	
f. Earnings and Cost Distribution - Nongroup Plant	
g. Earnings and Cost Distribution - Group Plant (Subsidiary Cost Accounts 421.3)	
h. Operation Balance - Plant Disposed of	
i. Deferral of Plant Operation Balances	
j. Distribution of Tool Replacement and Expense Account (Subsidiary Cost Account 422.-)	
k. Plant Operation Ledger Forms (Subsidiary Cost Accounts 421.-)	
l. Tool Replacement and Expense Ledger Forms (Subsidiary Cost Accounts 422.-)	
Computation of Rates - Nongroup Plant	7-18
a. Predetermined Rates	
b. Computation of Rates	
c. Periods charged	
* d. Explanatory or Historical Data	
Funding Plant and Equipment on Replacement Cost Basis	7-18.1
a. General	
b. Computation of Charges for Plant Replacement	
c. Limitations on Total Economic Life for Com- putation of Charges	
d. Transfer of Earnings to OCE	
e. Assets for which Replacement Charges are Processed	
f. Revision of Charges	
Loan of Plant Between Districts	7-19
a. Time Chargeable to Borrowing District	
b. Insurance	

EP 37-2-10
Change 55
28 Jun 85

<u>Topic</u>	<u>Paragraph</u>
Plant in Mothball Status	7-20
a. Depreciation	
b. Plant Operation Balances	
c. Mothballing and De-mothballing Costs	
Function of Warehouse Activity Accounts	7-21
a. General	
b. Stock Accounting Procedures	
c. 425.- Warehouse Operating Expenses	
d. 426.- Cost of Materials Consumed and Sold - Active Stocks	
e. 426.- Cost of Materials Consumed and Sold - Excess Stocks	
f. 427.- Salvage Operations	
g. 480.- Warehouse Stock - Active (GL Account 315.1)	
h. 480.19 Warehouse Stock - Active (GL Account 315.1)	
Functions of Shop and Facility Activity Accounts	7-22
a. General	
b. Work Orders for Shop and Facility Services	
c.1 433.- Freedom of Information Act	
c.2 434.- GSA Rental, FTS, and Hydrologic Program Clearing	
c.3 435.- (Reserved)	
c.4 436.- Value Engineering Costs	
* c.5 437.- OCE Value Engineering Study Team (OVEST)	*
c.6 438.- Payroll - Other Federal Appropriation and Agencies	
c.7 440.- Shops and Yards Operation	
d. Facilities Operations	
e. Subsidiary Shop and Facility Operating Accounts	
f. 441.- Laboratories Operation	
g. 442.- Garage Expense Accounts	
h. 443.- Reproduction and Printing Operation	
i. 439.- and 444.- Division Office Military Functions and Civil Functions Expense Accounts	
j. 445.- Training of Company Grade Officers	
k. 447.- Government Contributions (Personnel Benefits)	
k.1 450.- Data Processing Center	
l. 454.- Military Construction S&A Clearing	
l.1 455.- Centralized Division Support Center	
m. 456.- Central Payroll Office	
n. 457.- Cement Testing	
n.1 458.- Job-site Labor	
o. 459.- Other Facility Services Expense Accounts	
p. Reimbursement Policies	
q. Plant Inventories	
r. Shop and Facility Ledger Forms	

<u>Topic</u>	<u>Paragraph</u>
Function of District General Administrative Accounts	7-23
a. Accounting for District Office Costs	
b. Accounting for Area Office Costs	
Function of Military Construction Supervision and Administration (S&A Accounts)	7-24
a. General	
b. Applicability	
c. Financing	
d. Accounting	
e. Transfer of Month-end Balance of S&A Costs	
Function of Insurance Accounts	7-25
a. Purpose	
b. Reimbursed Damages	
c. Rates	
d. Review of Rates	
e. Premiums	
f. Losses Written Off	
Division Office Military Functions, and Engineer Inspector General Field Activities	7-26
a. Applicability	
b. Labor Costs	
c. Services, Supplies, etc.	
d. Shop and Facility Functions	
e. Division Office Military Expenses	
f. (Reserved)	
Distribution of Operating Costs - Airplanes	7-27
a. Operating Costs	
b. (Reserved)	
c. General Instructions	
Personal Services and Travel Expenses - Office of the Chief of Engineers and Division Offices	7-28
Air Force Civil Engineer Regions (AFCER) Offices at Division Office	7-29
Certain Activities of the Office, Chief of Engineers	7-30
a. Construction Evaluation and Field Activities Expenses, OCE	
b. OCE Support of Postal Service	
c. (Reserved)	
d. (Reserved)	
Financial Management	7-31

*

*

CHAPTER 7

REVOLVING FUND COST (SUBSIDIARY LEDGER) ACCOUNTS

7-1 Purpose. The purpose of this chapter is to describe the functions of the subsidiary cost accounts of the Revolving Fund, Corps of Engineers.

7-2 Accounting Policy. Accounts established for the Revolving Fund provide for the recording and control of assets, liabilities, income, expenses and the proprietary interest of the U. S. Government therein. The books of account are maintained on the accrual basis whereby the receipt of assets and income are recorded concurrently with the actual or constructive receipt thereof and liabilities and expenses are recorded as of the date incurred. Thus, at the end of any accounting period, the status of the financial affairs of the fund may be accurately determined from the books of account, and statements prepared to reflect financial condition, income and expense, and sources and application of funds. Since the Revolving Fund operates wholly from its own receipts, it is incumbent upon District Engineers to insure that costs incurred in operations are promptly and equitably converted to income and a sufficiently liquid working capital maintained at all times to meet current requirements. (See also paragraph 7-31.)

7-3 General Ledger Accounts. The general ledger accounts for the Revolving Fund, described in Chapter 2 are grouped as follows:

a. Balance Sheet Accounts reflect the assets, liabilities, reserves, and proprietary interest of the U. S. Government.

(1) Current and Accrued Assets comprise cash, prepayments, amounts due from others, or other assets which will be converted into cash within a relatively short period of time in the normal course of operations. Included in this group are undisbursed balance of funds authorized, accounts receivable, stores, prepayments and advances to others, work in progress for others, and deferred and undistributed charges.

(2) Fixed Assets comprise the book cost of all assets which are normally subject to depreciation accounting and land owned. Included in this group are structures, equipment, plant acquisition in progress, plant retirement work in progress, and provision for depreciation of structures and equipment.

(3) Current and Accrued Liabilities comprise amounts owed to others and payable within a relatively short period of time. Included in this sub-group are accounts payable, advances from others for services and commodities, and other liabilities of a current nature.

1 Apr 69

(4) Operating Reserves comprise amounts set aside out of current earnings to provide for future casualty losses. Included in this sub-group is the insurance account.

(5) Proprietary Interest of the U. S. Government comprises the net worth accounts of the fund. Included in this sub-group are appropriations from the U. S. Treasury, other net assets transferred from projects upon establishment of the Revolving Fund, transfers of cost or property, funds returned to the U. S. Treasury, results from operations, and non-operating income (or loss).

b. Operating Accounts record current operating income expenses, and cost of goods sold. The operating accounts are further sub-divided as follows:

(1) Sales, in which is recorded the income for services or commodities sold during the period.

(2) Cost of Goods Sold, in which is recorded the prime cost of warehouse stock sold.

(3) Operating Expenses, in which is recorded expenses incurred in the operation of the various activities and facilities of the Revolving Fund.

7-4 Principles of Departmentalization.

a. Purpose of Departmentalization. Functional groupings are established for the various activities of Revolving Fund operations. The activities of the Revolving Fund are divided into four departments designated as Plant and Equipment Services, Warehousing Activities, Shop and Facility Services, and General Administrative Services. The account structure of the Revolving Fund provides for recording expenses and income applicable to each department (421.- thru 469.- series of cost accounts) and for developing data disclosing operating results for management purposes.

b. Plant and Equipment Services Department renders services involving principally the use of plant, tools, and equipment.

c. Warehousing Activities Department receives, stores and issues common inventory items required for civil works activities and activities of the Revolving Fund.

d. Shop and Facility Services Department includes the operation of shops and yards, garages, laboratories, reproduction and printing facilities, operating expenses of division offices and the furnishing of services not provided for elsewhere.

e. General Administrative Services Department furnishes common services of an engineering or administrative nature.

7-5 Concepts of Expense, Income and Accrued Expenditures.

a. Operating Expenses of the Revolving Fund are those expenses incurred in the performance of work within the operating departments of the Fund and represent the value of assets consumed or services rendered to the Fund. The net operating expenses of the Revolving Fund represent the difference between gross charges made to the departments and transfers of cost to other departments or accounts within the Revolving Fund (joint cost credits). The term "Joint Cost Credit" (intrafund income) as used in these instructions refers to the transfer of expenses from an operating account to other accounts within the Revolving Fund, as distinguished from income of the Revolving Fund in the form of sales to others. Joint cost credits may involve the transfer of operating expenses between Revolving Fund activities as well as capitalisation of expenses, e.g., transfer of expense to asset accounts. Such items are posted in the "Joint Cost Credits" column of the operating activity account from which the transfer is made.

b. Cost of Goods Sold is the book value of warehouse stocks sold.

c. Income from Sales is the sales value of services and commodities sold.

(1) Services include plant, tool and equipment usage; shop and yard, garage, laboratory, printing and reproduction services; other facilities and services; and general administrative services.

(2) Commodities represent warehouse stock sold to projects and others, including in the case of sales to projects, book cost and applied warehouse burden; and the total receipts in the case of other sales.

d. Application of Accrued Expenditures. Accrued expenditures of the Revolving Fund are included in financial statements of the United States Government in terms of objective classes (as outlined in par. 5-27) and by application of these expenditures to (a) plant acquisition or retirement in progress, (b) warehouse stock purchases, (c) advances or prepayments to others, (d) deferred and undistributed items, (e) return of unused balances of advances received, (f) accrued leave (accrual of payrolls payable), (g) funded charges to reserves (insurance), (h) payrolls processed for other districts (by central payroll offices), and (i) operating expenses. Accrued expenditures relating to items chargeable directly to deferred and undistributed accounts (GL 325.2) are not identified except as working capital changes in these statements. Except for expenditures chargeable initially to deferred and undistributed items (GL 325.2) all accrued expenditures not applicable to accounts specifically provided for the items mentioned in (a) through (i) will be applied to operating expenses utilizing account 459.-

7-6 Principles of Revolving Fund Subsidiary Cost Accounts. The subsidiary cost accounts for the Revolving Fund are in many instances designed as "unit ledgers" controlled by more than one general ledger account. For example, the cost accounts for structures, equipment and tools are subsidiary to General Ledger Accounts 301.2 and 302, and to

ER 37-2-10
1 Apr 69

cost accounts for operating income and expense are subsidiary to General Ledger Accounts 337, 401, 414 and 415. The column headings shown in the cost accounts indicate the general ledger control accounts to which the columns are subsidiary accounts.

7-7 Chart of General Ledger Control Accounts and Subsidiary Cost Accounts. This chart lists the subsidiary cost accounts maintained for the Revolving Fund, and the related general ledger control accounts.

7-7

4

General Ledger Accounts

Subsidiary Cost Accounts

BALANCE SHEET ACCOUNTS

<u>301.1 Land</u>	470.- Land
<u>301.2 Structures and Equipment</u>	)
	)
<u>302 Provision for Depreciation -</u>	)
<u>Structures and Equipment</u>	)
	471.- Structures
	472.- Operating Equipment - Airplanes
	473.- Operating Equipment - Dredges
	474.- Operating Equipment - Other
	Floating Plant
	475.- Operating Equipment - Mobile
	Land Plant
	476.- Operating Equipment - Fixed
	Land Plant
	477.1 Office Furniture and Equipment
	477.21 Surveying Equipment
	477.22 Drafting Equipment
	477.3 Work Tools
<u>307 Plant Acquisition in Progress</u>	
	478.- Plant Acquisition Work Orders
<u>308 Plant Retirement Work in Progress</u>	
	479.- Plant Retirement Work Orders
<u>315.1 Warehouse Stock</u>	
	480.- Warehouse Stock - Active
	480.19 Warehouse Stock - Excess
<u>315.2 Plant Inventories</u>	
	480.21 Plant Inventories (Identified
	by appropriate description,
	location, etc.)
<u>317 Work in Progress for Others</u>	
	<u>Work in Progress for Others</u>
	481.1- Chargeable to District Funds
	481.2- Other Federal Appropriations
	and Agencies
	481.3- All Other

General Ledger Accounts

Subsidiary Cost Accounts

BALANCE SHEET ACCOUNTS

325.2 Other Deferred and Undistributed Items

483.- Other Deferred and Undistributed
Items

483.98 (Reserved)

483.99 Loss on Disposal of Excess Stocks

333.1 Transfers - Other Government Agencies
and Appropriations

487.1 Transfers - OGA - Land

487.2 Transfers - OGA - Structures and
Equipment

487.9 Transfers - OGA - Stock

487.10 Transfers - OGA - Other

333.2 Transfers - Other Districts' Revolv-
ing Funds

488.1 Transfers - Revolving Fund -
Land

488.2 Transfers - Revolving Fund -
Structures and Equipment

488.9 Transfers - Revolving Fund -
Stock

General Ledger Accounts

Subsidiary Cost Accounts

BALANCE SHEET ACCOUNTS

488.10 Transfers - Revolving Fund - Other

338 Nonoperating Income (or Loss)

- 490.1 Proceeds of Sales - Plant, Properties and Equipment
- 490.2 Book Value of Plant, Properties and Equipment Retired
- 490.3 (Reserved)
- 490.4 Surcharge on Loan of Plant and Facilities to
Non-Federal Agencies
- 490.5 (Reserved)
- 490.6 (Reserved)
- 490.7 (Reserved)
- 490.8 (Reserved)
- 490.9 Other Net Nonoperating Income (or Loss)

343 Advances for Services and Commodities

- 491.- Advances for Services and Commodities (identified
by agency, etc.)
- 492.- Reserved

345 Accrued Leave

- 493.1 Gross Payrolls
- 493.2 Labor Distributions
- 493.5 Accrued Leave Transferred to (or from) Other Districts
- 493.6 Severance Pay Entitlements
- 493.7 Adjustments of Annual Leave Liability
- 493.8 Shore Leave Earned

351 Insurance

- 495.1 Book value of Property Lost
- 495.2 (Reserved)
- 495.4 Damages to Revolving Fund Properties (Casualties)
- 495.5 Damages Resulting from Revolving Fund Activities
(Public Liability)
- 495.6 Other Damages
- 495.7 Recoveries from Others for Damages and Losses
- 495.8 Insurance Charges to Work
- 495.12 Insurance Balance Adjustments

ER 37-2-10
Change 56
15 Aug 85

OPERATING	INCOME	AND	EXPENSE	ACCOUNTS
337	Results from Operations)			
401	Sales)			
414	Cost of Goods Sold)			
415	Operating Expenses)			
	(401; 415)		<u>Plant and Equipment Services</u>	
		(421.1-	Plant Operation - Dredges	
		(421.2-	Plant Operation - Other Nongroup	
			Items	
		(421.3-	Plant Operation - Group Items	
(337; 401; 415)		(422.-	Tool Replacement and Expense	
			<u>Warehousing Activities</u>	
(337; 415)		425.-	Warehouse Operating Expenses	
(401; 414; 415)		426.-	Cost of Materials Consumed and Sold	
(337; 401; 415)		427.-	Salvage Operations	
(337; 401; 415)			<u>Shop and Facility Services</u>	
		430.-	to 432.- (Reserved)	
		433.-	Freedom of Information Act	
		434.-	GSA Rental, FTS, and Hydrologic	
			Program Clearing	
		435.-	O&M S&A Clearing - Omaha District Only	
		436.-	Value Engineering (Prior to Award	
			of Construction Contract)	
		437.-	(Reserved)	
		438.-	Payrolls-Other Federal Appropri-	
			ations and Agencies (Omaha District	
			only)	
		439.-	Division Office Military Functions	
			and Engineer Inspector General Field	
			Office Expenses	
		440.-	Shop and Yards Operation	
		441.-	Laboratories Operation	
		442.-	Garages Operation	
		443.-	Reproduction and Printing Operation	
		444.-	Division Office Civil Functions	
			Expenses	
		445.-	(Reserved)	
		446.-	Depreciation - Use-free Permit	
			Property	
		447.-	Govt Contributions (Personnel	
			Benefits)	
		448.-	Survey Parties Operations) Use of	
		449.-	Core Drill Parties Operations)these	
			accts is	
			optional	

*

7-7

7-8

Shop and Facility Services - Cont'd

- 450.- Data Processing Center
- 451.- Communications Center
- 452.- Marine Design Division (Phila Dist only)
- 453.- Coastal Engineering Research Center - Balt Dist only
- 454.- MILCON S&A Clearing - Omaha Dist only
- 455.- Centralized Division Support Center
- 456.- Central Payroll Office
- 457.- Cement Testing
- 458.- Job-Site Labor
- 459.- Other Facility Services (District Assigned)
(To be used for operation of other classes of
facilities and services as necessary)

GENERAL ADMINISTRATIVE SERVICES
District Office Organizational Costs

- (401; 415) (Executive, Advisory and Administrative)
- 460.01 Executive
 - 460.02 Comptroller
 - 460.03 Public Affairs
 - 460.04 Counsel
 - 460.05 Personnel
 - 460.06 Administrative Services
 - 460.07 Equal Employment Opportunity
 - 460.08 Safety
 - 460.09 Provost Marshal/Security
 - 460.10 (Other Advisory or Administrative - Specify)

- (401; 415) (Technical)
- 460.11 (Reserved)
 - 460.12 Operations
 - 460.13 Engineering
 - 460.14 Construction
 - 460.15 Supply
 - 460.16 Program Development
 - 460.17 Real Estate
 - 460.18 Planning
 - 460.19 (Other Technical - Specify)

- (Other Functions)
- (401; 415) 460.20 District Office Miscellaneous Expenses
(Flood Control and Coastal Emergency Activities)
- 460.21 Emergency Operations
- (401; 415) 460.22 (Other District Office Functions - Specify)

ER 37-2-10
Change 56
15 Aug 85

(401; 415)	460.25	Centralized Activities and Other Charges
(401)	460.30	General Administrative Services - District Office - Sales
(337)	460.37	General Administrative Services - District Office - Results from Prior Year Operations

GENERAL ADMINISTRATIVE SERVICES,
SUPERVISION AND ADMINISTRATION (S&A)
Other Offices Organizational Costs

General Administrative Services

(337; 401; 415)	464.-	(Reserved for area offices. See para 7-13d and 7-23b for applicability.)
--------------------	-------	--

* MILCON Supervision and Administration
S&A Costs

(337; 401; 415)	465.802.-	Supervision
	465.802.1	By Contract
	465.802.2-	By Government Forces-
	465.802.21-	Field Offices
	465.802.211	Review of Shop Drawings
	465.802.212	Other Supervision and Inspection
	465.802.22-	District Office
	465.802.221-	Review of Shop Drawings
	465.802.2211	By Engineering Division
	465.802.2212	By Construction Division
	465.802.222	Other Supervision and Inspection
	465.802.23	District Office Expenses Billed by Other Offices (Excluding Overhead)
	465.802.3	Damages Assessed Contractors (Cr)
	465.804.2	General Overhead for Construction
	465.806	S&A Distribution (Sales)
	465.807	Omaha Clearing

- * O&M Supervision and Administration (S&A) Costs (337; 401; 415). Applicable decimal suffixes and titles of accounts listed above for MILCON S&A will also be used for military construction to which the O&MA S&A rate apply using the primary account number 466.

Other Offices Organizational Costs

(337; 401; 415)	467.- OCE Centralized Activities	*
(337; 401; 415)	468.- OCE-sponsored Training Program	
(337; 401; 415)	469.- OCE Expense Account	

7-8 Definitions of Subsidiary Cost Accounts (General). The following definitions of the Revolving Fund Subsidiary cost accounts are intended to amplify the definitions of the related general ledger accounts contained in Chapter 2.

7-9 Asset Accounts.

a. 470. - Land (General Ledger Account 301.1). A separate cost account will be maintained under this caption for each installation (e.g., district office, shops and yard, laboratory, etc.), and will include the cost of land owned by the Revolving Fund, including the costs incident to acquisition of title thereto, and improvements to the land which are not subject to an allowance for depreciation. The cost accounts will be identified by the number 470 followed by a decimal designator and descriptive title. These accounts will be credited with the value of land retired. The items included in these accounts will be referenced therein by tract identification and acreage. These accounts constitute the monetary property records of land owned by the Revolving Fund, supported by item records maintained in accordance with ER 735-1-1.

b. 471.- Structures (General Ledger Accounts 301.2 and 302). The cost accounts under this caption will be maintained for each installation (e.g., district office, shops and yard, laboratory, etc.) and will include the cost of acquisition, construction, additions and betterment of buildings and facilities to house, support, or safeguard property or persons, roads, railroads, parking area, utility distribution lines, and the related provision for depreciation. Subdivision of these accounts will be maintained for each structure. The cost accounts will be identified by the number 471 followed by a decimal designator and descriptive title. The structures will be clearly identified in the accounts by item number, description (e.g, office, shop, warehouse, water supply line, etc.), and location. These accounts constitute the monetary property records of structures owned by the Revolving Fund,
* supported by item records maintained in accordance with ER 735-1-1.

c. 472.- thru 476.- Operating Equipment (General Ledger Accounts 301.2 and 302.). (1) The cost accounts under this caption include the cost of acquisition, construction, additions and betterments (including special foundations, supports, initial supply of tools and equipment, individual protective fencing) which meet the criteria of non-expendable property items as outlined in Chapter 1. A separate subaccount will be maintained for each item of equipment included in the 472.- thru 474.- series of accounts. As a minimum, a separate subaccount will be maintained for all like items included in account 475.- however, at the discretion of the FOA, separate subaccounts may be maintained for each item.

472.- Operating Equipment - Airplanes. The subdivisions of this account include aircraft owned by the Revolving Fund.

473.- Operating Equipment - Dredges. The subdivisions of this account include all dredges and dredging equipment owned by the Revolving Fund.

474.- Operating Equipment - Other Floating Plant. The subdivisions of this account include floating plant owned by the Revolving Fund, other than dredges or dredging equipment.

475.- Operating Equipment - Mobile Land Plant. The subdivisions of this account include all mobile land plant owned by the Revolving Fund.

476.- Operating Equipment - Fixed Land Plant. This account includes all fixed land plant owned by the Revolving Fund, such as: marine railway equipment including tracks, cradle, winch, prime mover and similar related items; shop tools and fixed shop power-driven equipment including saws, lathes, drill presses, etc.; printing and reproduction equipment; data processing center equipment;

fixed cranes; railroad-track-mounted movable cranes (not locomotive or other railway car cranes); laboratory equipment and tools; pumping plants for water distribution systems and sewerage collection systems; and tools, office furniture and equipment in use by facilities, such as warehouses, shops, laboratories, garages, reproduction plants, core drilling and survey parties, which items are therefore not available for general district use. The subdivisions of this account will be maintained primarily by using department (e.g., plant and equipment, warehousing, shop and facility) and activity (e.g., each warehouse, shop, facility, etc.) of the Revolving Fund. Plant Operation accounts for these items will not be maintained; depreciation, maintenance and other operating costs will be charged to the appropriate income and expense cost accounts such as for warehouse operations, shop and yard operations, laboratory operations, data processing center operations, etc. Floating plant, vehicles or items properly chargeable to other prescribed asset accounts will not be included herein.

(2) The accounts constitute the monetary property records of Revolving Fund operating equipment for all financial statements. These accounts include the costs of tools, office furniture and equipment (nonexpendable property) on continuous assignment to plant items (472.- thru 475.- series) and to activities (476.- series). Initial acquisitions and replacements of such items are charged to these accounts.

d. 477.- Tools, Office Furniture and Equipment (General Ledger Accounts 301.2 and 302).

(1) The cost accounts under this caption include the cost of nonexpendable property items for general district use (not chargeable to operating income and expense accounts, or to other prescribed asset accounts); and the related provision for depreciation. These accounts constitute the monetary property records for such items for all financial statements.
* See paragraph 1-13(d)(1) for monetary limits. *

* (2) It is the responsibility of the District Commander to establish adequate depreciation rates for these accounts to insure that at the end of each fiscal year the remaining book value will approximate the actual worth of the equipment as of that date.

477.1 Office Furniture and Equipment. This account includes non-expendable office furniture and equipment, such as desks, chairs, tables, filing equipment, calculating and accounting machines, typewriters, reproduction equipment when not assigned to a central reproduction plant, electric fans and portable air conditioning units, messenger carts, communications equipment, and library equipment.

477.2 Survey and Drafting Equipment. This account will be further subdivided as follows:

477.21 Survey Equipment. This account includes non-expendable technical equipment utilized in performance of survey work, such as transits, levels, tripods, theodolites, plane tables, cameras, binoculars and telescopes, and level rods.

477.22 Drafting Equipment. This account includes non-expendable furniture and equipment items utilized in the performance of drafting and design engineering work, such as drafting tables and stools, slide rules, drafting machines.

* 477.3 Work Tools. This account includes nonexpendable hand tools and power driven portable or mobile tools and equipment for general district use, such as concrete vibrators; pavement breakers; air hammers; electric and gasoline powered saws, drills, and attachments; paint sprayers.

e. 478.- Plant Acquisition Work Orders (General Ledger Account 307). Separate work order cost accounts will be maintained under this caption to record the costs of acquisition, construction, additions and betterments of structures and operating equipment, and the costs of acquiring land. Separate work order cost accounts will be maintained under this caption, on a fiscal year basis, for each subdivision of cost accounts 470.- thru 477.-. Upon completion of acquisition (or construction) under each work order, the costs will be transferred to the appropriate land, structures, or operating equipment account. In the case of tools, office furniture and equipment, the balances in these accounts will be transferred quarterly to the appropriate account in the 477 series. The acquiring district will not include any of its overhead in these costs. For details covering property acquisition accounting, see paragraph 7-14.

f. 479.- Plant Retirement Work Orders (General Ledger Account 308). Separate work order cost accounts will be maintained under this caption to record the book value of property being retired, the related cost of disposal, the sale price of salvage recovered, and debits and credits reflecting close-out entries. Upon completion of retirement actions, balances in these accounts will be closed out by appropriate debit or credit entry and applied to general ledger and cost accounts ultimately chargeable (i.e., to account 338, "Non-operating Income (or Loss)" in the case of sales; to account 351, "Insurance" in the case of casualty losses; to accounts 333.-, "Transfers of Cost or Property" in the cases of transfers accounted for through retirement work order accounts).

7-14a

7-9f

308

BEST COPY AVAILABLE

g. 480.- Warehouse Stock (General Ledger Account 315.1). The cost accounts under this caption account for the value of stock on hand, classified as active or as excess stock. Where more than one warehouse is maintained in the Revolving Fund in a district, a separate account will be maintained for each warehouse. The cost account for each warehouse will be reconciled monthly with the Form 4A therefor.

480.- Active Stocks. Cost Accounts recording active stocks will be numbered commencing with 480.1 for the first of such accounts. The accounts will be charged with the cost of stock acquisitions, gains (quantity and valuation) disclosed by physical inventory procedures, and transfers from others warehouses or from excess stock. The accounts will be credited with losses (quantity and valuation) disclosed by physical inventory procedures; issues (net of returns) to projects and to other accounts under the Revolving Fund; transfers to excess stocks, other warehouses in the district Revolving Fund, and to other appropriations or agencies in accordance with existing laws and regulation. "Acquisitions" includes the costs of items produced for stock, and of items procured from sources outside the District Revolving Fund, such as purchases (including freight inward, where practicable), stock acquired by donation, stock transferred from other districts, and stock found on works. Excluded from "acquisitions" are transfers between warehouses of the same district Revolving Fund, transfers from excess stocks of the district Revolving Fund, and inventory gains disclosed by physical inventory procedures. Inventory pricing, and pricing of stock issues, will be made exclusively on an average unit cost basis. When it is not practicable to include particular freight inward charges in the "acquisition" cost of the stock, such freight will be charged to the appropriate warehouse operating expense account. Discounts earned for timely payment of stock procurement will be credited to the appropriate warehouse operating expense account. Trade discounts allowed will be applied directly against the cost of the stock charged to the stock account. In respect to inventory gains and losses disclosed by physical inventory procedures, and accounting differences (not exceeding \$25) between stock record cards and book values shown in the 480.- account, such items are charged or credited, as appropriate, to the warehouse stock account, with contra credit or charge to the warehouse operating expense account. When expendable items which are identifiable as having been issued from Revolving Fund stock accounts are returned to stock, such items will be treated as a reduction of issues.

ER 37-2-10
Change 47
30 Apr 82

480.19 Excess Stocks. Cost accounts recording excess stocks will be numbered commencing with 480.191 for the first of such accounts. These accounts will be charged with the book cost of stock which has been determined to be excess to requirements of the district in accordance with existing regulations relating to property disposal, and will be credited with issues (net of returns), and with transfers to active stocks.

h. 480.21 Plant Inventories (General Ledger (GL) Account 315.2). Where administrative or operational necessity exists in a district, subsidiary cost accounts may be maintained under GL account 315.2. These accounts will reflect the value of unconsumed operational supplies, at the end of each accounting period, applicable to such Revolving Fund activities as the operation of plant, shops and yards, reproduction plants, and laboratories. Separate accounts may be maintained for each such operational unit with numbers commencing with 480.211 for the first of such accounts.

* i. 481.-- Work in Progress for Others (General Ledger Account 317).

(1) OMB Circular A-34 requires that all accepted orders for reimbursable work must be obligated in the appropriations ultimately funding the work. This is accomplished upon acceptance of the order. There is no difference when accepting reimbursable orders for accomplishment of the work in the Revolving Fund. Work should not commence in the Revolving Fund accounts until the reimbursable order (i.e., DA Form 2544) is approved, and in the case of the 481.1 account, the obligation is recorded in the funding appropriation. Since account 481.2 is used with other Federal agencies, the order is assumed to be obligated when the FOA has accepted the order and mailed the acceptance to the outside office.

(a) Accounting for reimbursable work in the Revolving Fund is similar to reimbursable activities under civil or military appropriations. The major difference is that when a reimbursable order for Revolving Fund services is received Funds with Treasury and Unobligated Allotments are not increased. Instead, the amount of unfilled orders (the dollar value of orders received for goods and services to be furnished which has not been reflected in the accounts as costs) are reported in EAM Code 893 on ENG Form 3017. The *

7-9h

7-16

- * amount of unfilled orders are used in OCE during preparation of SF 133, Report of Budget Execution to OMB and SF 220, Statement of Financial Conditions to the Treasury. The effect of the unfilled orders is to increase the resources available to the Revolving Fund.

(b) The amount of unfilled orders which will be reported in EAM 893 on ENG Form 3017 will be the balance in COEMIS accounting element 010 for all orders pertaining to 481.1 and 481.2, excluding any inter-Revolving Fund unfilled orders as well as anywhere advances have been received from district funds or other Federal appropriations or agencies (advance accounts 491.1 and 491.3).

(c) Revolving Fund distributions of labor, travel, equipment usage, and other estimated costs from operating expense accounts in the 421-469 series which are required to be covered by miscellaneous obligation documents will not be processed through the 481.1 account unless the services are requested by a reimbursable order.

(2) The cost accounts under the caption "Work in Progress for Others" will be identified by the number 481 and the name and job number (if applicable) of the activity for which the work is performed. Individual work in progress subsidiary cost accounts will be maintained under the following groupings:

481.1 - Chargeable to District Funds. When work is covered by a reimbursable order, costs will be processed through this account for Work in Progress which, when billed, will be collected by processing intra-districts vouchers against district or supported division (when applicable) funds. For example, each order placed for Revolving Fund services, such as military E&D by Government Forces and S&A (paragraph 5-12d(2)(c), ER 37-345-10), must be supported by a DA Form 2544 and an obligation in the paying appropriation. When the job is completed, the order amount will be adjusted to actual costs. Flood fight and other emergency operations and Reconnaissance Studies will not be processed through 481.1 accounts. See definition of 481.4 and 481.5 for these types of work in progress.

*

ER 37-2-10
Change 47
30 Apr 82

* 481.2 - Other Federal Appropriations and Agencies. Use this account to record work in progress performed for reimbursable orders from Federal appropriations or agencies other than funds of the district or supported division (when applicable).

481.3 - All Other. This account includes work in progress performed for others such as states, municipalities and private persons or organizations. Acceptance of Order from outside the Federal Government has special requirements. OMB Circular A-34 requires that funds be advanced and in the Treasury prior to obligations being placed for the reimbursable work. Account 481.3 is used to record the reimbursable work. Advance account 491.4 is used to record the advances for the work. The advance account should always be equal to or greater in value than the work account. The cost of work will be billed to and offset by the advance account. In those rare cases where the costs incurred exceeds the amount of the advance, work will stop until an increase in the advance is received. The excess costs will be billed to the advance account. This will result in a minus balance in the advance account until the increase is received. Minus balances in advance accounts will be so reported on Revolving Fund quarterly financial reports rather than being transferred back to work in progress for reporting purposes. Since advances should always be collected prior to the obligations for accomplishing the work, there never will be a remaining unfilled order for account 481.3 and shall not be reported in EAM 893 on the ENG Form 3017 report.

481.4 - Flood Fight and Other Emergency Work. This account will be used to temporarily fund flood fight and other emergency work authorized by ER 11-2-320 to be funded through the Revolving Fund. This account will be used in lieu of account 481.1 since 481.1 is used when funds are obligated in the ultimate paying appropriation upon commencement of the work. The account will be subdivided as necessary to record costs for each incident separately. Prompt action in requesting allotments will be taken, since replenishment of the Revolving Fund resources is required in case of new emergencies. Costs recorded in the 481.4 accounts will be sold to the ultimate paying appropriation when allotments for the work is received. After the allotment is received, costs will be funded from the allotment and not processed through the 481.4 work in another Federal appropriation, it should not be reflected in EAM 893, Unfilled Orders.

7-16b

481-5 - Reconnaissance Studies. This account will be used to temporarily fund reconnaissance studies authorized by ER 1105-2-11. This account will be used to provide interim funding of the reconnaissance studies up to a value of \$7,500 each, provided that the budgetary resources are available in the FOA's Revolving Fund. If the budgetary resources are not available, (a) delay commencement of work on the reconnaissance study until budgetary resources are available; (b) request an allotment to cover the reconnaissance study, and delay work until the allotment is received; (c) request additional funds with the Treasury for the FOA's Revolving Fund. Since no obligation has been established in another Federal appropriation for work funded in the 481.5 account, it will not be reflected in EAM 893, Unfilled Orders on Report 1 (Trial Balance of General Ledgers and Summary of Transactions).

(3) Except for the transfer of excess charges to advance accounts (para 7-11a(3)), charges to these accounts are credited as Revolving Fund sales (GL 401.-); hence, will have been processed through operating income and expense accounts (421.- thru 469.- series, including account 459.- in accordance with para 7-5d) prior to entry in work in progress accounts. Account 459.97 is reserved under COEMIS for loan to other districts or agencies. Therefore, all districts should assign account 459.970--0 for Other Services - Expenses Attributable to Loan to Other Districts and 459.97010--0 for Other Services - Labor Loaned to Other Districts. *

j. (Reserved)

k. 483.- Other Deferred and Undistributed Accounts
(General Ledger Account 325.2).

(1) The cost accounts under this caption will be charged with the costs of items not considered appropriate to be fully absorbed in the current operations of the Revolving Fund; such as, (a) major repairs to structures which should be absorbed in the cost of operations over more than one fiscal year, (b) deferred excess labor charges for key floating plant personnel selected for retention during seasonal layup of the plant to which they are normally assigned, which employees are retained as a matter of basic personnel policy by assigning such per-

ER 37-2-10
Change 17
1 Jul 72

sonnel to miscellaneous other duties at their regular floating plant grade and pay rate. (In such cases the difference in pay between the approximate normal pay for the job to which such employees are detailed and their floating plant rate will be charged to an appropriate sub-account under this caption for ultimate disposition by a proportionate distribution to costs of work to which the plant is engaged during the following construction season). The accounts will be credited with application of such deferred costs to current operations. In distributing deferred costs of the nature included in these accounts to the work, initial charge will be made to existing operating expense accounts, if applicable. If such accounts are not applicable, specially designated accounts will be established utilizing unassigned numbers in the 459.- series, (c) such other items as may be specifically authorized by the Chief of Engineers.

(2) The cost accounts under this caption will be identified by the number 483.-, followed by a decimal designator and the descriptive title of the account.

483.98 (Reserved)

483.99 Loss on Disposal of Excess Stock. This account will be charged with the excessive amounts of net losses on the sale of excess stock, when these losses are so substantial as not to be fully recoverable within the current and succeeding fiscal year without distorting warehouse burden rates.

7-10 Investment Accounts

a. 487.- Transfers - Other Government Agencies (General Ledger Account 333.1). The cost accounts under this caption reflect the value of assets or services received by the Revolving Fund from other appropriations or agencies without transfer of funds; property "found on works"; and the value of property or services transferred from the Revolving Fund to other Agencies or appropriations without transfer of funds, as may be specifically authorized by the Chief of Engineers. To facilitate preparation of reports, four money columns will be maintained to show separately the book cost and accrued depreciation applicable to transfers in and book cost and accrued depreciation applicable to transfers out recorded in account 487.2.

487.1 Transfers - OGA - Land. This account reflects book value and related costs of land transferred.

7-10

7-18

487.2 Transfers - OGA - Structures and Equipment. This account reflects book value and related costs of structures, operating equipment and other depreciable assets transferred.

487.9 Transfers - OGA - Stock. This account reflects book costs of warehouse stock transferred.

487.10 Transfers - OGA - Other. This account reflects book value of assets and services transferred which are not includible in the foregoing accounts and charges for depreciation applicable to structures utilized by other Government agencies under use free permits. Postings in account 487.10, in addition to showing the source of the asset or service, will also show the application thereof by reference to the contra accounts to which the transfer value of the asset or service was debited or credited.

b. 488.- Transfers - Other Districts Revolving Funds (General Ledger Account 333.2). The cost accounts under this caption reflect the book value of assets, plant operation balances, value of accrued annual leave, and other items which are transferred between the Revolving Funds of districts without reimbursement. To facilitate preparation of reports, four money columns will be maintained to show separately the book cost and accrued depreciation applicable to transfers in and book cost and accrued depreciation applicable to transfers out recorded in account 488.2. The account titles are self-descriptive.

488.1 Transfers - RF - Land

488.2 Transfers - RF - Structures and Equipment

488.9 Transfers - RF - Stock

488.10 Transfers - RF - Other. Postings in account 488.10, in addition to showing the district involved, in the transfer of the asset, will also show the source or application thereof by reference to the accounts in which the asset has been added or from which it has been dropped.

c. 490.- Nonoperating Income (or Loss) (General Ledger Account 338).

*

The subsidiary cost accounts under this classification are for recording details pertaining to gains and losses resulting from transactions which are not attributable to normal operations of the Revolving Fund, such as (a) sales of plant, properties and equipment (b) transfers of plant, properties and equipment with reimbursement to other agencies of the Government or other appropriations, (c) gains and losses resulting from salvage operations, and (d) other transactions not attributable to normal operations, such as jury duty fees, witness fees, and items required to be deposited as general fund receipts. Subsidiary cost accounts, under General Ledger Account 338, will be maintained as follows:

*

490.1 - Proceeds of Sales - Plant, Properties and Equipment.

This account will be credited with gross income realized from sales of plant, properties and equipment in the form of receipts from sales, salvage recoveries, etc., attributable to disposals by sale and retirement of plant, properties and equipment, exclusive of such income included in subsidiary cost account 490.9.

490.2 - Book Value of Plant, Properties and Equipment Retired.

This account will be charged with book values of plant, properties and equipment sold or retired, plus costs incident to disposal, the income realized therefrom being included in account 490.1.

490.3 (Reserved)

* 7-10b

7-20

490.4 - Surcharges on Loan of Plant and Facilities to Non-Federal Agencies. This account will be credited with surcharges earned from plant loaned to others.

490.5 (Reserved)

490.6 (Reserved)

490.7 (Reserved)

490.8 (Reserved)

* 490.9 - Other Net Nonoperating Income (or Loss). This account will be charged or credited, as appropriate, with net amounts of nonoperating income or loss, not accounted for elsewhere, such as jury duty fees, witness fees, and items required to be deposited as general fund receipts. After the end of each fiscal year this account will include the net income or loss transferred from Account 427.- Salvage Operations (GL-415).

7-11 Liability Accounts

a. 491.- Advances for Services and Commodities (General Ledger Account 343). (1) The cost accounts under this classification include credits for advances received by Revolving Fund from all sources for services or commodities to be furnished including estimated accrued costs at end of accounting periods. These accounts include debits for the application of costs against the advances and return of unexpended balances. Separate accounts are maintained for each source or for individual advances if deemed necessary.

(2) Cost accounts in the 491.- series will be maintained under the following groupings:

491.1 Advances from District Funds. To include advances received through processing vouchers within the district (intra-district).

491.2 Advances for Central Payrolls - (Central Payroll offices only). To include amounts advanced by each serviced office for payrolls centrally processed. Separate identification will be maintained in these accounts to disclose fund transfers and related applied costs for payrolls, Government contributions for employee benefits and severance pay entitlements (para. 4-12c).

491.3 Other Federal appropriations or agencies. To include advances received from other Federal sources.

491.4 Other. To include all advances received from sources other than Federal funds (states, municipalities, individuals).

(3) Charges applied to these accounts which are in excess of amounts credited thereto will be transferred to work in progress accounts (GL 317) prior to preparation of quarterly financial reports (RCS-DAEN-RMF-1(R2)). These transfers may be reversed at beginning of subsequent quarters.

b. Reserved.

c. 493.- Accrued Leave (General Ledger Account 345). The cost accounts under this caption include, for civilian employees paid from the Revolving Fund, gross amounts of payrolls, refunds of lump sum leave payments, value of accrued annual leave, shore leave, and severance pay entitlements transferred between Revolving Funds of districts, gross severance pay entitlements, and credits for distribution of payroll costs computed at effective time rates, and by the actual pay method. The cost accounts 493.1 through 493.8 are maintained on a fiscal year basis only, and will be subsidiary to the current FY changes in GL account 345. Central Payroll Offices will not clear payrolls processed for other offices through these accounts. These cost accounts will be maintained as columnar accounts on ENG Form 17A in the following detail:

493.1 Gross Payrolls. This account will be charged with the gross amount of all payrolls including pay of consultants properly classified as personnel compensation and credited with repayments to the Revolving Fund for refunds of lump sum terminal leave payments received.

493.2 Labor Distributions. This account will be credited with the amount of all labor cost distributions for regular time work which is distributed at effective time rates, as well as distributions for overtime, night differential, holiday, and other premium work, which are made on the actual pay basis:

493.21 thru 493.34 (Reserved)

ER 37-2-10
Change 7
31 Mar 70

• 493.5 Accrued Leave, Severance Pay Transferred to (or from) Other Districts' Revolving Fund. This account will be charged with the value of annual and shore leave of employees transferred (out) to another district and for amounts of severance pay entitlements transferred (in). It will be credited for the value of annual and shore leave transferred (in) and for severance pay entitlements transferred (out). •

493.6 Severance Pay Entitlements. This account will be charged with amounts of severance pay to which personnel become entitled upon separation based on determination noted on SF 50, "Notification of Personnel Action." This account will be credited with any unpaid portion of gross entitlement when payments are terminated prior to liquidation of the gross amount.

493.7 Adjustments of Annual Leave Liability. This account will be charged or credited with adjustments specifically authorized by the Chief of Engineers.

493.8 Shore Leave Earned. This account will be credited with the value of shore leave earned and charged to plant operations.

7-12 Operating Reserve.

495.- Insurance Account (General Ledger Account 351). The cost accounts under this caption include: (1) the book value and applicable plant operation account balances of Revolving Fund property lost due to casualties, (2) the cost of repair of Revolving Fund property damaged in casualties, (3) costs of personal injuries and damages to property caused by Revolving Fund operations, including reimbursement to employees for loss of personal property, (4) recoveries from others for damages and losses, and (5) insurance premiums charged to work. Premiums will be determined as a flat percentage of the book value of buildings, plant, equipment and tools including office furniture and warehouse stocks at * 1 October each year, chargeable to the operating accounts directly utilizing the property involved. No insurance will be charged on plant inventories, plant in process of acquisition or major plant in process of retirement. The losses and damages chargeable to these accounts will be those resulting from casualties which in commercial practice are normally insured. The cost accounts will be maintained as columnar headings on * ENG Form 17A.

495.1 Book Value of Property Lost. This account includes the book value (book cost less applicable depreciation accrued) of property lost by casualty, including items of plant and structures, and warehouse stock destroyed by fire, storm, sinking, etc.

495.2 (Reserved)

495.4 Damages to Revolving Fund Properties (Casualties). This account includes the cost of repairing damages resulting from casualties.

495.5 Damages Resulting from Revolving Fund Activities (Public Liability). This account includes the cost of rectifying damages to non-federal property, personal injury, etc., resulting from Revolving Fund activity.

495.6 Other Damages. This account includes the cost of rectifying damages not otherwise covered, including reimbursements to employees for loss of personal property resulting from Revolving Fund activities and remaining balances in plant operation accounts for plant lost due to casualty.

495.7 Recoveries from Others for Damages and Losses. This account includes amounts of bills rendered to insurance companies and others for compensation for insurable losses and damages and credits for other recoveries resulting from losses and damages chargeable to GL Account 351. Amounts of such bills, pertaining to items of structures and equipment which must be written off because of loss or damage, will be initially recorded

ER 37-2-10

Change 46

24 Aug 81

in applicable retirement accounts and closed out to this account in accordance with par 7-16d(1). At the end of each fiscal year and prior to submission of reports for the Revolving Fund (RCS-DAEN-RMF-1(R)) the balance of this account will be compared with the total costs charged to accounts 495.1 thru 495.6 since 30 June 1959. If the balance of this account exceeds those charges to accounts 495.1 - 495.6, the portion of the excess which represents actual collections will be charged to account 495.7 (GL 351) and credited to account 490.9 (GL 338).

495.8 Insurance Charged to Work. This account includes the credits for insurance premiums charged to operating expenses of the Revolving Fund.

495.12 Insurance Balance Adjustments. This account includes debits or credits reflecting adjustments as specifically authorized by the Chief of Engineers.

7-13. Operating Accounts

a. 421.-and 422.- Plant and Equipment Services (General Ledger Accounts 337, 401 and 415) The cost accounts under this classification are charged with the operating expenses of floating plant, mobile land plant, and the expenses of replacing, maintaining and acquiring general purpose tools, etc., for general usage, and credited with the income from sales of such services to activities outside the Revolving Fund and with application of such expenses to other Revolving Fund activities (termed joint cost credits). Except as provided under account 422, the cost accounts hereunder include: operating expenses, such as the cost of labor, subsistence, fuel, lubricant, miscellaneous expenses, insurance, attendant plant, depreciation, repairs and replacements, cessation of work, etc. (subsidiary to General Ledger Account 415); credits for operating costs charged to other Revolving Fund Accounts (subsidiary to General Ledger Account 415); and income from sales of services (subsidiary to General Ledger Account 401).

421.1 Plant Operation - Dredges. An account will be maintained for each dredge. Costs incident to operations of dredges will be reconcilable to the cost reported on ENG Forms 27, 3735 and 4267 "Report of Operations" for dredges. *

421.2 Plant Operation - Other Nongroup Items. An account will be maintained for each airplane and for each non-group floating plant item, other than dredges.

* 421.3 Plant Operation - Group Items. An account will be maintained for each group of plant items for which operating expenses are accumulated on a group basis. Group operating accounts for vehicles will be maintained utilizing the vehicle codes, vehicle types, and fiscal group codes published annually in DAEN-ASV's 56-2 series Engineer Circular. *

422.- Tool Replacement and Expense. Where an appropriate subsidiary operating expense account is not already established or where it is deemed advisable in order to maintain a more detailed accounting for chargeoffs for use of such items, a 422.- account will be maintained for each 477.- asset account. These 422.- accounts will be charged with purchases of expendable tools and equipment (items consumed in use, lose their identity when incorporated into another item, or whose acquisition cost is \$50 or less) and minor nonexpendable property (items whose unit acquisition cost is less than \$1,000), accruals of depreciation for non-expendable tools, office furniture and equipment, and miscellaneous expenses incurred in maintaining, handling and storing tools, office furniture and equipment. The 422.- accounts will also include items incident to the acquisition of expendable property and minor nonexpendable property, such as transportation, applied warehouse burden, cash discounts, etc., which are not included in the nonexpendable property records.

b. 425.- thru 427.- Warehousing Activities (General Ledger Accounts 337, 401, 414 and 415). The cost accounts under this classification include (1) the expenses of receipt, storage and issue of warehouse stock, (2) the cost of warehouse stock consumed by Revolving Fund activities, and sold to projects or others, (3) income and credits realized from sales of warehouse stock and stock issues to Revolving Fund activities, and (4) the expenses and income from salvage operations of the Revolving Fund.

425.- Warehouse Operating Expenses. An account will be maintained for each warehouse for which a separate warehouse stock account is maintained. These accounts will be charged with operating costs including labor, materials and supplies, freight inward on warehouse stock where it is impracticable to include the freight as part of the acquisition cost of the stock, depreciation and equipment usage, insurance and miscellaneous expenses. Cash discounts and inventory adjustments (gains and losses) will also be applied to the warehouse operating expense accounts. Expenses applicable to the maintenance, handling, storage, etc., of tools, office furniture and equipment, which are available for general district use, will be charged to Account 422.-, rather than to this account.

ER 37-2-10
Change 17
1 Jul 72

- * 426.- Cost of Materials Consumed and Sold. An account will be maintained for each warehouse for which a separate warehouse stock account is maintained. These accounts will be charged with the book cost of stock issued from the warehouse for consumption or sale and will be credited with the proceeds of stock sold, including applied warehouse burden where applicable and with amounts charged to other Revolving Fund activities. The rate of surcharge for warehouse operating expense or "applied warehouse burden" will be calculated to completely or substantially absorb or offset such expense by the end of each fiscal year. Distinction will be maintained as between stock consumed by Revolving Fund activities and stock issued for use outside Revolving Fund activities. Unused stock returned to warehouse will be recorded as a reversal of the original stores distribution entry. This account will also be credited with applied burden applicable to procurements for direct delivery to projects or activities. Where the volume of such transactions warrants, a specially designated account may be maintained to record such applied burden. At the beginning of a fiscal year, the balance of this account, carried forward from the preceding fiscal year, will be consolidated with the balance of account 425.-, "Warehouse Operating Expenses" for the related warehouse, to establish the fiscal year opening balance of account 425.-.
- * 427.- Salvage Operations. This account is charged with the costs of salvage operations, including the estimated net salvage value of materials, mobilization and preparation for sale, advertising, etc. Estimated salvage value is credited to the appropriate repair and replacement, conversion or other account which generated the salvage. Estimated net salvage value is the estimated sale price less the estimated cost of sale. Receipts from sale of salvage, and transfers of salvage materials for further use at appraised values will be credited to this account. As the opening entry of a fiscal year, an amount equal to the brought-forward balance of this account will be transferred to subsidiary cost account 490.9, Other Net Nonoperating Income (or Loss) (GL 338).

c. 430.- thru 459.- Shop and Facility Services (General Ledger Accounts 337, 401, and 415). The cost accounts under this classification include (1) the expenses of operating shops and yards, laboratories, garages, motor pools, survey parties, reproduction and printing plants, data processing centers, and other such facilities and Division Office expenses, and (2) the expenses, of an essentially service nature (such as job-site labor costs and labor costs, Government contributions to personnel fringe benefits programs, ownership expenses of structures utilized by other Governmental agencies under use-free or reimbursable permits, and other reimbursable services performed for another agency, appropriation or individual). Expenses to be charged to these accounts include labor, materials and supplies, depreciation and equipment usage, insurance, plant replacement increment, repairs, and maintenance of facilities and fixed plant, acquisition of nonaccountable tools, etc. The accounts will be credited with the income from joint cost credits and sales. The following subdivisions of these accounts will be maintained:

- 430.- to 432.- (Reserved)
- 433.- Freedom of Information Act
- 434.- GSA Rental, FTS, and Hydrologic Program Clearing
- * 435.- O&M S&A Clearing (Omaha District only)
- 436.- Value Engineering Costs
- 437.- OCE Value Engineering Study Team (OVEST)
- 438.- Payrolls - Other Federal Appropriation and Agencies (Omaha District only)
- 439.- Division Office Military Functions, and Engineer Inspector General Field Office Expense
- 440.- Shops and Yards Operation
- 441.- Laboratories Operation
- 442.- Garages Operation
- 443.- Reproduction and Printing Operation
- 444.- Division Office Civil Functions Expenses
- 445.- (Reserved)
- 446.- Depreciation - Use-free Permit Property
- 447.- Government Contributions (Personnel Benefits)
- 448.- Survey Parties Operations) Use of these accounts is
- 449.- Core Drill Parties Operations) optional.
- 450.- Data Processing Center
- 451.- Communications Center
- 452.- Marine Design Division (Philadelphia District only)
- * 453.- (Reserved)
- 454.- MILCON S&A Clearing (Omaha District only)
- 455.- Centralized Division Support Center
- 456.- Central Payroll Office
- 457.- Cement Testing
- 458.- Job-site Labor
- 459.- Other Facility Services

d. 460.- General Administrative Services (General Ledger Accounts 337, 401 and 415). The cost accounts under this classification include the expenses of district and area office functions. The separate organizational accounts (460.01 - 460.19, 460.21 and 460.22) will include (1) the costs of labor and travel and other technical indirect costs and (2) the income from direct services (joint cost credits and sales). PCS costs, to which an employee may be entitled, will normally be borne by the losing office if such employee has been or is being separated by reduction-in-force action. Under some circumstances such as transfer of function to another Corps of Engineers office, deviation from this policy may be granted by the Chief of Engineers. In case of PCS transfer where reduction-in-force is not involved, the gaining office will bear all PCS costs including salary of the employee while on a house hunting trip. Account 460.20 will include (1) miscellaneous expenses incurred by the Executive, Advisory, and Administrative organizations or incurred for overall district use, and (2) the income from joint cost credits and sales. The titles of the accounts are generally self-explanatory. Account 460 is applicable to district office functions. Account 464 is applicable to area office functions. A 464 subaccount will be established for each area office, with suffixes as for comparable district office accounts. *

(Executive, Advisory and Administrative)

---.01 Executive. Includes the costs for the executive office, including special assistants such as the Emergency Operations Planner, when not accounted for under other organizational elements. This account will be subdivided to cover the funded pay, allowances, and *travel of military personnel separately from the labor and travel of civilian personnel.

---.02 Comptroller

---.03 Public Affairs

---.04 Counsel

---.05 Personnel

---.06 Administrative Services

* ---.07 Equal Employment Opportunity. Includes the labor and travel expenses for performing the equal employment opportunity function, including the Equal Employment Opportunity Officer, Federal Woman's Program Coordinator, and Spanish Speaking Program Coordinator. Labor costs incurred by EEO counselors or others, when performing EEO related duties, are charged to accounts *

* normally charged when performing their primary duties. Travel and per diem costs incurred while performing EEO functions may be charged to the 460.07 account.

---.08 Safety

* ---.09 Provost Marshal/Security. Includes the labor and travel expenses incurred for Provost Marshal or physical security officer functions as described in ER 10-1-3. The labor, travel and other expenses of security guards will not be included in this account.

---.10 (Other Advisory or Administrative - Specify)

(Technical)

---.12 Operations

---.13 Engineering

---.14 Construction

---.15 Supply

---.16 Program Development

---.17 Real Estate

---.18 Planning

---.19 (Other Technical - Specify)

* ---.20 Miscellaneous Expenses. This account will be charged with office expenses such as transportation of things, communications, GSA space costs, rents, utilities, purchased custodial services, printing and reproduction work, office supplies and materials, and other contractual services incurred by the Executive, Advisory, and Administrative organizations or for overall district use such as supplies and materials for a central stockroom or library. Account ---.20 will be credited with income from joint cost credits and sales.

(Flood Control Coastal Emergency Activities)

---.21 Emergency Operations

(Other Functions)

---.22 (Other Functions - Specify)

---.23 (Reserved)

---.24 (Reserved)

ER 37-2-10
Change 56
15 Aug 85

460.25 Centralized Activities and Other Charges. This account will include (1) amounts charged to FOAs for centralized activities of the Office, Chief of Engineers (account 467.- series), (2) Centralized Division Support (455.- series), (3) Division Office military expenses in support of work for foreign governments, and (4) other charges from other districts for such items as: overhead charged on loan of plant, performance of permanent work and inspection services; expenses of airplanes; central payroll services; administrative support services; and temporary duty assignments and other services where the charge cannot be made directly to a project, facility, or technical indirect account. This account will be credited with the expenses of airplanes chargeable direct to project or other district accounts.

---.30 General Administrative Services - Sales. This account will be credited for office expenses applied to work as overhead.

---.37 General Administrative Services - Results from Prior Years Operations. This account will include the cumulative net balance of general administrative service expenses and income brought forward from the preceding fiscal year.

* e. 465.- MILCON Supervision and Administration (S&A) (General Ledger Accounts 337, 401, and 415). This account will be used to record costs of supervision and administration (S&A) applicable to military construction to which the Corps-wide MILCON S&A rate applies (see paragraph 7-24 and ER 37-345-10).

f. 466.- O&M Supervision and Administration (S&A) (General Ledger Accounts 337, 401, and 415). This account will be used to record costs of Supervision and Administration (S&A) applicable to military construction charged to O&MA to which the Corps-wide O&M S&A rate applies (see para 7-24 and ER 37-345-10).

g. 467.- Centralized Activities of the Office, Chief of Engineers. These accounts are used by Finance and Accounting Support Office to record costs accumulated by Office, Chief of Engineers for the following activities (para 7-30):

- (1) (Reserved)
- (a) (Reserved)
- (b) (Reserved)

(2) 467.2 Centralized Activities Expense, OCE. This account will include the costs of centralized activities in OCE/HQ. Costs chargeable jointly to military and civil activities will be coded 467.21 except COEMIS costs will be coded 467.23. Costs chargeable to only civil activities will be coded 467.22. Costs chargeable to only military activities will be coded 467.24.

NOTE: Account 467.2 will include income (sales) from distribution and billing of these expenses to field operating activities and other accounts based on percentages furnished by OCE/HQ.

(3) 467.3, 467.4, 467.7, 467.8, and 467.9 OCE Support of Postal Service. These accounts will include labor cost of civilian personnel, pay, and allowances of military personnel, travel, transportation, and other costs of OCE/HQ staff personnel engaged in Postal support activities. Account 467.7, Reimbursable Work, will reflect income (sales) from billings to field operating activities. Repayments received from field operating activities for OCE/HQ support will be accumulated by Finance and Accounting Support Office (FASO) in a separate 467 account. *

* (4) (Reserved)

* (5) (Reserved)

h. 468. OCE Sponsored Training Program. This account will be used by the Huntsville Division to gather costs and income related to the OCE Sponsored Training Program. This account will be maintained so costs can be accumulated by training course and elements of expenses; i.e., labor, travel and other. Income will not be identified by course.

*

*

1. 469. OCE Expense Account. This account will be used to capture those OCE Revolving Fund expenses not charged to another Revolving Fund account. Those OCE labor costs not charged to another Revolving Fund cost account in the 421-469 series and any OCE travel or other expense charged to a Revolving Fund 481 Work In Progress account will be processed through this account.

7-14 Acquisition of Land, Structures and Equipment.

a. Classification. The fixed assets of the Revolving Fund are classified primarily as land, structures, operating equipment, and tools, office furniture and equipment.

(1) Land includes the purchase price (by negotiation or condemnation) of the land, the cost of improvements such as grading, bulkheads and fill, the expenses of acquisition such as mapping, and surveying, appraising, negotiating, etc., and the costs of relocations necessary for the unhampered use of the land.

(2) Structures include, in addition to the basic buildings, foundation excavation and fill, grading, structural service installations such as water, electric and sewerage services, heating, lighting, ventilating and air conditioning, and elevators; roads; railroads; utility systems; parking areas; and other structural improvements.

(3) Operating Equipment includes floating plant, mobile land plant, fixed land plant (except structures), general utility production plant, etc.

(4) Tools, Office Furniture and Equipment include tools, office furniture, and office and field equipment of a nonexpendable nature. These items which are for general office or field usage and are included in the accountable property records, are carried in subdivision of cost account 477. Nonexpendable items, other than furniture and equipment used in the district and area offices, which are on continuous assignment to an activity or item of plant, will be included in the appropriate asset accounts of the activity (476.-) or item of plant (472.- thru 475.0).

b. Acquisition Work Orders and Accounting.

(1) The funded acquisition cost of all plant, properties and equipment, including additions and betterments thereto will be recorded initially in appropriate subdivisions of cost account 478, Plant Acquisition Work Orders. Costs not incurred by the District Revolving Fund, such as the original cost and related accrued depreciation of property received without reimbursement of funds, will be excluded from these accounts.

(2) ENG Form 3013, approved as indicated in paragraph 6-10a, or other authorization document, will be prepared prior to initiation of construction or procurement for each separate acquisition of land, structure, and equipment. When acquisition is complete, ENG Form 3013 will be finalized and forwarded as indicated in paragraph 6-10d(8). In those instances where ENG Form 3013 is not used to cover the acquisition, internal procedures will provide for prompt submission to the Finance and Accounting Branch of documentary support for completed acquisitions.

(3) A copy of each completed ENG Form 3013 or other supporting documentation for completed acquisitions of "Fixed Land Plant" showing total cost of the related acquisition, the subdivision of cost account 476.- to which such cost will be transferred, and the property voucher number of receiving report for purchased items included in the work order, where applicable, will be sent to the Property Branch.

(4) When an authorizing ENG Form 3013 or other authorizing document is received in the Finance and Accounting Branch, a plant acquisition work order account number will be assigned under the 478 series and an acquisition work order cost account will be established. The cost subsidiary accounts are controlled by General Ledger Account 307, Plant Acquisition in Progress. Upon completion of the Acquisition Work Order, the cost thereof will be transferred to General Ledger Account 301.1 or 301.2, as applicable, and to the related subsidiary cost accounts. In the case of tools, office furniture and equipment, balances in these acquisition work order accounts, which are maintained on a fiscal year basis, will be cleared quarterly to plant in service accounts.

c. Acquisition Cost.

* (1) (a) The book cost of assets includes the first cost of purchase or construction, cost of delivery, and cost of overhauling and repairs made upon receipt of the asset to put it in proper operating condition; and the cost of improvements, additions and betterments. The book cost will also include the related costs of designing, advertising for bids, etc.

* (b) Acquisitions that do not exceed the monetary amounts in paragraph 1-13d will not be included in the Plant Replacement and Improvement Program (RRIP); therefore, will be expensed rather than capitalized in the financial accounting records even though it is classified by the accountable property officer as sensitive. Sensitive items are accounted for in the property records but not in the financial records.

(c) Additions and betterments are defined as either adding to an asset something that was not there before (must meet above monetary criteria), or replaces part of an asset, which when added, extend the usable life of the asset. The following are examples: A tug is acquired in 1960 with an expected life of 30 years. In 1975 the tug is repowered. The replacement engine is diesel with 10,000 HP capability (old one had 8,000 HP). Since the life-years of the tug was established based on hull life, and a replacement engine of 8,000 HP would not extend the life of the tug, the replacement engine would normally be expensed. However, 2,000 HP is being added that was not there before; hence the replacement added additional power to the tug. One-fifth of the new engine cost would be an addition and betterment which would be capitalized and included in the PRIP program. The remainder would be an expense to the operating account. The depreciation rate would be increased to bring the new book value down to salvage value over the remaining life of 15 years. A barge is acquired in 1950 with a life of 30 years established. In 1978 the barge hull is replated and is expected to last 20 more years. In this example, the addition and betterment is 9/10ths of the cost of replating since it extended the life of the barge an additional 18 years (20 years vs 2 years). The 9/10th cost of replating is added to the remaining book value of the original asset and the remaining life years (20 years) is used to recompute the depreciation rate. Plant Increment would be computed using the original acquisition date and original cost plus additions and betterments for both of the above examples. *

(2) (a) In the case of property other than land received by transfer from other Government agencies or other sources with or without transfer of funds, the book cost will represent original (actual, if known, otherwise estimated) cost to the transferrer, less estimated cost of overhaul and repairs (see subpara (1) above). The original cost and estimated depreciation to date of acquisition will be entered in separate columns of the appropriate 487.-, 488.- series of subsidiary cost accounts (GL 333) and in appropriate columns of the applicable 471.-, 477.- series of accounts (GL 301, 302). The estimates utilized will establish a book value approximating the actual value as of date of acquisition by the Revolving Fund.

(b) In the case of land received without reimbursement, the book cost (GL 301.1) will represent the original cost when first acquired by the government, if known. If the original cost to the Government is not known, an estimate of such original cost will be recorded.

* (3) Reserve

(4) Where property is transferred between districts under continuing Revolving Fund ownership, the book cost (adjusted by additions and betterments), and accrued depreciation applicable, will be established on books of the transferee district in amounts identical to those at which removal was effected by the transferor district. In order to assure entry in the accounts of both districts in the same amounts and during the same accounting period, the following procedure will be observed in the case of all such transfers:

(a) A copy of ENG Form 3007, disclosing complete information as to journal entry made in the accounts of the transferor district, will be transmitted to the transferee district.

(b) In establishing the month during which this entry will be made in the accounts of the transferring district, sufficient time will be allowed to enable receipt and entry by the transferee district. Normally, transfers effected after the 20th of the month will be recorded by both districts during the following month.

d. Cost Account Ledger Forms

(1) Land. The subsidiary cost account ledger form for land will be provided with the following money column headings:

Debits

First Cost

Purchase Price (GL 301.1) - to include the purchase price under contract and condemnation awards for fee simple, easements, and lesser interests; resettlement reimbursements and damage payments; and, in the case of land acquired without transfer of funds, the acquisition cost as defined in subparagraph 7-14c.

Acquisition Expenses

(GL 301.1) - to include direct costs for: Mapping and surveying; appraising; title evidence and tract ownership data; negotiating and closing direct purchases and donations; condemnation; transfers and use permits; real estate planning reports; investigation and review of damage claims; investigation and review of resettlement applications; and cost of disposal during acquisition.

Improvements (GL 301.1) - to include improvements to the land, such as general grading and drainage, bulkheads and retaining walls.

Credits

Retirements (GL 301.1) - to include the total cost (first cost and improvements) of land disposed of by sale, transfer, abandonment, etc., charged to Account 308 Plant Retirement Work in Progress.

Other (GL 301.1) - to include credits applicable to land, other than retirements.

Balance (GL 301.1) - is the book cost of land.

(2) Structures. The subsidiary cost account ledger form for structures will be provided with the following money column headings:

Book Cost - Debits

First Cost (GL 301.2) - to include the original construction or acquisition cost.

Additions and Betterments (GL 301.2)

- to include the cost of additions and betterments to structures.

Book Cost - Credits

Retirements (GL 301.2) - to include the total cost (first cost and additions and betterments) of structures disposed of by sale, transfer, abandonment, etc., charged to accounts 308, "Plant Retirement Work in Progress", 333.2 "Transfers of Cost or Property", etc.

Provision for Depreciation - Debits

Retirements (GL 302) - to include depreciation applicable to items disposed of credited to accounts 308, "Plant Retirement Work in Progress," and 333, "Transfers of Cost or Property," etc.

Provision for Depreciation - Credits

Accruals (GL 302) - to include amounts charged to other accounts as depreciation.

Balance

- is the book value of the structures on hand, except for structures in process of acquisition or retirement.

(3) Operating Equipment. The subsidiary cost account ledger form for operating equipment will be provided with the following money column headings:

Book Cost - Debits

First Cost (GL 301.2) - to include the original construction or acquisition cost

Additions and Betterments (GL 301.2)

- to include the cost of additions and improvements, subdivided for floating plant as follows:

Hull

Machinery

Tools, Office Furniture and Equipment

Book Cost - Credits (or debits)

Retirements (GL 301.2) - to include the total cost (first cost and additions and betterments) of operating equipment disposed of by sale, transfer, abandonment, etc., charged to accounts 308, "Plant Retirement Work in Progress," 333.2, "Transfers of Cost or Property," etc.

Provision for Depreciation - Debits

Retirements (GL 302) - to include depreciation applicable to items disposed of credited to accounts 308, "Plant Retirement Work in Progress," and 333, "Transfers of Cost or Property", etc.

Provision for Depreciation - Credits

Accruals (GL 302) - to include amounts charged to other accounts as depreciation.

Balance - is the book value of the operating equipment on hand, except for items in process of acquisition or retirement.

(4) Tools, Office Furniture and Equipment. The subsidiary cost account ledger form for tools, office furniture and equipment will be provided with the following money column headings:

Book Cost - Debits	- to include the original construction or acquisition cost.
First Cost (GL 301.2)	

Book Cost - Credits	
Retirements (GL 301.2)	- to include the total of tools, office furniture and equipment disposed of by sale, transfer, abandonment, or lost through casualty, etc.

Provision for Depreciation - Debits	
Retirements (GL 302)	- to include depreciation applicable to items disposed of credited to accounts 308, "Plant Retirement Work in Progress" and to 333, "Transfers of Cost or Property".

Provision for Depreciation - Credits	
Accruals (GL 302)	- to include amounts charged off to other accounts as depreciation.

Balance - is the book value of tools, office furniture and equipment on hand, except for items in process of retirement.

- (5) Plant Acquisition Work Order Account. The cost account ledger for plant acquisition work orders will be maintained on ENG Form 17A in connection with land, structures and operating equipment acquired by contract, by hired labor construction method, or by direct purchase. If construction is also performed in the Shop and Facility Department, the cost of the shop work will be transferred monthly to the appropriate plant acquisition work order account. Excluded from these accounts are elements of cost not requiring use of funds, such as the portion of cost transferred from other agencies without reimbursement. Minimum columnar headings on such work order accounts are as follows: (1) First Cost, (2) Additions and Betterments, (3) Acquisition Costs Transferred to Plant in Service Accounts, and (4) Balance.
- *

- e. Nongroup Operating Expense Cost Accounts. A separate plant operating account will be maintained for each aircraft, structures having an estimated replacement cost of \$200,000 or more, major mobile land plant, and any other plant with an estimated replacement value of \$300,000 or more. All items of plant described herein will be kept in nongroup accounts unless a specific exception is granted by WRSC-D. Items of plant which are normally classified as group may be accounted for as nongroup when more detailed cost data is desired for management purposes. (Also see EP 1125-2-1)
- *
- *

Seagoing hopper dredge
Pipeline dredge
Dipper dredge
Bucket dredge
Sidecasting dredge

These terms will be limited to vessels designed and equipped primarily for the purpose of dredging.

- * Tugboat

Class 3 or 4 self-propelled vessel, equipped for the normal service of towing. In general, the designation "Tender" should be applied to Class 1 or 2 vessels under 40 feet in over-all length even though they are equipped for towing.

*

Tender

Self-propelled vessel having an over-all length of 40 feet or longer, equipped for minor towing service, such as auxiliary plant assigned to a dredge or a marine base.

Debris Boat

Self-propelled or non-propelled vessel designed and/or operated primarily for the purpose of removing shoreline snags, or floating and sunken debris.

*

ER 37-2-10
Change 46
24 Aug 81

Towboat

Self-propelled river type vessel having an over-all length of approximately 40 feet or longer, equipped with towing knees and other facilities necessary for pushing and handling tow units.

Patrol boat

Self-propelled vessel, 40 feet or more in over-all length used principally for patrol operations in river or harbor areas.

Drill-Jet probing boat

Specially designed vessel equipped for rock drilling or for subaqueous excavation or probing.

Derrick boat/Crane barge

Propelled or non-propelled vessels, except maneuver boats, whose principal equipment is a derrick or crane and whose principal function is to perform lifting or occasional dredging operations.

Maneuver boat

Vessel equipped and normally used for the maneuvering of movable dams.

Barges (Special)

Large barges of all categories listed in EP 1125-2-1 such as equipment used with mattress sinking plant, bank grading plant or used as a shop or service facility, or to supply electric power, water, air, and other services necessary to the operations.

Survey boat

Self-propelled vessel, 40 feet or more in over-all length, fitted with special electronics and/or mechanical equipment for conducting hydrographic and/or water quality surveys.

ER 37-2-10
Change 12
1 Jun 71

Pile Driver
Mattress-sinking plant
Quarter boat (includes bunk
barges and mess barges)
Mechanical bank grader
Mat Pulling Rig
• Mat Casting Plant

f. Group Operating Expense Cost Accounts. Operating expenses for certain classes of property will be accounted for in group operating accounts as described in paragraph 7-17c. Depreciation for these assets will be accrued and recorded in accordance with paragraph 7-15c.

g. Additions and Betterments. (1) Additions include facilities added to the original structure or item of operating equipment but not replacing existing portions thereof.

(2) Betterments include improvements to structures or items of operating equipment by substitution or modification of portions of the existing property. When renewals or replacements have a substantially greater capacity than that of the original parts renewed or replaced, the estimated portion of the cost of such renewal or replacement in excess of the estimated cost of replacing the original parts should be classified as betterments.

7-15 Depreciation of Structures and Equipment

a. Provision for Depreciation - Structures and Equipment (General Ledger Account 302). This general ledger account reflects the accrued depreciation with respect to depreciable property on hand. The subsidiary record is maintained on the same cost account form as the asset to which the depreciation applies, in cost accounts 471 through 477. Depreciation will begin to accrue from the first day of the month nearest the date of acquisition or completion of construction of structures or operating equipment. The cost of depreciation is charged to operating expense accounts. For tools, office furniture and equipment, see subparagraph d, below.

b. Depreciation Rates. In computing depreciation rates the following factors will be considered:

(1) First cost, plus additions and betterments recorded in the cost accounts.

(2) Estimated credit for net salvage value at the anticipated time of abandonment or retirement from service.

(3) The monthly rate to be charged to the expense accounts is obtained by dividing the first cost, plus additions and betterments, minus estimated credit for net salvage value and accumulated depreciation to date, by the number of months which are estimated to form the remaining useful service life of the asset.

(4) In determining the remaining service life of assets, consideration will be given to the expected operating conditions, character of work, condition of the asset as of date of determination, and such other factors as will affect its durability based upon the judgment and experience of an engineer. The rate adopted, however, will not be such as to make it possible to ultimately charge to the cost of work, in the form of depreciation, a greater sum than its share of the service cost actually expended for the plant used. No adjustments will be made to the book cost of the asset, except for actual expenditures for additions and betterments, or by reason of retirement.

ER 37-2-10
Change 19
1 Dec 72

(5) The Automatic Data Processing Equipment has been standardized, and has been assigned an economic life of seven (7) years with no expected salvage value. The provision for no expected salvage value may change when factual experience is gained upon replacement purchases. To maintain uniformity the computer and components will be depreciated as a single unit. Equipment to support the computer unit and not identified with the computer, such as punch card machines, etc., will be depreciated as individual or group units. Repairs and replacements will be accounted for in accordance with paragraph 7-17b(2)(a), ER 37-2-10.

c. Depreciation Computations. The principle applicable to accrual of depreciation provides for recovery of asset costs less salvage value (service cost) through periodic charges to expense over the useful life of the equipment. Depreciation schedules will be prepared consistent with the following example which illustrates computation for group assets. Schedules will be revised whenever a change in the number of items in the group occurs, major additions and betterments are added, or changes in the useful life or salvage values are considered warranted. Depreciation schedules will be reviewed annually and new schedules will be prepared not less frequently than once each two years even though no changes occur pertinent to the group within the two year period.

Depreciation Schedule

Item(s) Acquisition or Construc- tion dates (#)	Total Cost to Date (Incl. Addi- tions & Bet- terments)	Ac- rued Deprecia- tion to date	Remain- ing Useful Life (Years)	Esti- mated Sal- vage Value	Remain- ing Cost to be re- covered	Annual Deprecia- tion Ac- crual
A 7/53(6/50)	20,000	10,000	5.00	1,000	9,000	1,800
B 8/54	14,000	8,000	6.08	600	5,400	890
C 10/52	18,000	10,000	4.25	1,200	6,800	1,600
D 12/50	22,000	18,000	2.42	1,000	3,000	1,240
Totals	<u>74,000</u>	<u>46,000</u>		<u>3,800</u>	<u>24,200</u>	<u>5,530</u>

(#) If acquired by Corps in other than new condition, show also date of construction (estimated, if not known).

d. Depreciation - Tools, Office Furniture and Equipment. The assets in this category include non-expendable property as described in paragraphs 7-9d and 7-14 of this chapter. The annual amount of depreciation to be accrued for each account in this category will be determined by the District Engineer at the beginning of each fiscal year, to the end that the book value to be shown in those accounts at the beginning of the subsequent fiscal year will approximately equal the estimated remaining salvage value and service life of those assets expressed in dollar value based on the recorded book cost thereof.

e. Depreciation, etc. - Structures Utilized by Other Governmental Agencies.

(1) Under Use-free Permits. When Revolving Fund owned structures are utilized by other government agencies under use-free permits, depreciation applicable to such structures, or portion of structures so utilized, will continue to be accrued. Such depreciation will be charged to cost account 446.- (GL 415) with contra credit to cost account 471.- (GL 302). The amount so accrued will then be credited to cost account 446 (joint cost credits - GL 415) series, and charged to general ledger account 333.1, "Transfers - Other Governmental Agencies," cost account 487.10, "Transfers - OGA - Other." Insurance premiums will not be accrued in such cases.

(2) Under Reimbursable Permits. When permits provide for reimbursement of ownership expenses, accruals of depreciation, insurance and maintenance expenses applicable to the structure utilized will be charged to cost account 446.- (GL 415) and billed to the utilizing agency as a routine sale of services (GL 401).

f. Depreciation - Frequency of Charges. Accruals of depreciation will be entered in the accounts quarterly unless, in the opinion of the District Engineer, monthly charges are considered more advantageous. ENG Form 3009 will be used to record accruals. For assets disposed of, accrual will be entered in the accounts through end of the month in which transfer to retirement or other accounts is accomplished. Accruals of depreciation will not be recorded after salvage value is reached.

7-16 Retirement, Transfer and Conversion of Plant, Properties and Equipment. a. Methods of Disposal. Disposals of property will be effected by means of transfer or retirement. Transfer means exchange and transfer of accountability without transfer of funds between (1) districts under continuing Revolving Fund ownership and (2) between the Revolving Fund and other appropriations or agencies. Retirement means: (1) sale to other appropriations, projects or private individuals, or (2) disposition by scrapping, condemnation, or loss.

b. Transfer

- (1) Transfers of excess plant, properties and equipment, and related plant operation balances, between districts under the Revolving Fund will be effected without transfer of funds, but the values involved will be recorded as prescribed below. The transfer value of the plant, properties and equipment will be the book value determined from the accounts of the transferring district at the time of transfer. In the case of group or nongroup items of operating equipment, a normal plant operation account credit will be transferred to the receiving district, the amount thereof to be mutually agreed upon by the Division and District Engineers concerned giving due consideration to the condition of the equipment and anticipated use in the receiving district. Any remaining credit balance in excess of the amount transferred to the acquiring district, or any remaining debit balance, will be transferred to a deferred account in the 483 series (GL 325.2) of the transferor district. Such deferred amounts will be applied to plant operation accounts serving like work as the transferred plant, over a reasonable period of time, usually not more than the succeeding twelve month period. As the deferred amounts are applied to operations, applicable plant operation accounts in the 421 series (GL 415) are charged or credited, as appropriate with contra credit or debit to the deferred account in the 483 series (GL 325.2). The expenses of transfer will not be capitalized, and will generally be paid by the transferee district. Such transfer expenses will be deferred and applied to the plant operation account of the item transferred in the manner provided above for excessive plant operation balances.

(2) When nongroup operating equipment is transferred by one district to another within the Revolving Fund, a copy of the latest approved Plant Rate Computation, Form No. 22 (Costs), completed to date of transfer, will be furnished by the transferring district to the acquiring district through the Division Engineer. If the two districts are in different divisions, two copies of Form No. 22 (one for the acquiring division office) will be prepared and forwarded to the acquiring district, through the two Division Engineers concerned. The transferring district will promptly notify the Chief of Engineers of the transfer by letter, which will be forwarded through the Division Engineer, in order that proper transfer may be made in the files of the Chief of Engineers. If the acquiring district finds it necessary, revised Plant Rate Computation, Form No. 22, will be prepared in accordance with para 7-18. The purpose is to maintain continuity of data regarding the equipment.

(3) Accounting process on the books of the transferring district will consist of a credit to account 301.2, Structures and Equipment for the book cost of the unit and a debit to account 302, Provision for Depreciation - Structures and Equipment to clear from this account the accumulated depreciation applicable to the unit, contra to account 333.2, Transfers - Other Districts Revolving Fund. The plant operation account credit to be transferred will be credited to account 333.2 on the books of the transferring District. Entries on books of the acquiring district for book value and plant operation account credit transferred will be the reverse of those prescribed for the transferring district.

(4) (Reserved)

(5) To maintain accounting control over Revolving Fund assets, it is necessary that transfers between districts be accounted for in the same amounts and in the same cost and general ledger accounts on the books of the districts involved. Likewise, it is necessary that the entries be made concurrently by the districts involved. Therefore, the transferor district will transmit a copy of ENG Form 3007 "Journal Entry," which discloses removal entries for items transferred and date of removal. Date of removal will be established so as to allow for transit time. The transferee district will transmit to the transferor district a confirmation copy of the journal entry recording receipt of the transferred item. The transferor will compare confirmation copy with the ledger sheet to assure accuracy and indicate confirmation by suitable notation in the 488.- series of accounts. The transferor district will take follow-up action if confirmation is not received within thirty days following the transfer.

- * (6) Revolving Fund property may be transferred without reimbursement to other agencies (see ER 755-2-1, paragraphs 4-4 and 4-5). However, reimbursement of transfer expenses is required. Such transfers are processed according to the principles for transfers within the Revolving Fund. The book value for property transferred without reimbursement is charged to G/L account 333.1 (Transfers - Other Government Agencies and Appropriations). *

(7) In those cases involving transfers of major items of property, which will involve substantial dismantlement, salvage recoveries, etc., prior to transfer, the entire transfer actions may be processed as provided for retirement, except that final accounting for such transfer is made to the appropriate 333.- Transfers of Cost or Property account.

c. Retirement.

(1) All dispositions by sale, dismantlement, or condemnation will be supported and authorized by a retirement work order, ENG Form 3013, or other appropriate document, and be processed through the Plant Retirement Work in Progress account. Book value of the asset will be transferred to Plant Retirement Work in Progress account, for which subsidiary work order accounts in the 479.- series will be maintained. Expenses in connection with the retirement work will be accumulated in those accounts. Plant retirement work order accounts will be maintained for each retirement of group or nongroup plant, and each class of tools, office furniture and equipment on Form 17A (Costs) with the following money columnar headings;

- | | |
|-------------------------------------|-----------------------------|
| (a) Book Value of Disposals (Dr) | (c) Salvage Credits (Cr) |
| (b) Cost of Disposal (Dr) | (d) Proceeds from Sale (Cr) |
| (e) Balances Transferred (Dr or Cr) | |
| (f) Balance | |

Prior to the transfer of a completed retirement, the value of any salvaged materials will be transferred to the appropriate asset or expense account and all proceeds from sale will be recorded. Pro forma entries relative to retirements involving sales of property, transfer without reimbursement and losses due to casualty are included in Chapter 2, Chart C, of this manual. Subsidiary cost accounts in the 479.- series will be reviewed at least quarterly and immediately prior to end of fiscal years to insure closure of accounts representing complete retirements.

(2) Passenger motor vehicles owned by the Revolving Fund will not, under any circumstances, be transferred to civil works projects. Such vehicles will be retained by the Revolving Fund so long as they are useful on civil activities.

d. Insurable Property Losses and Damages

(1) Losses Involving Structures and Equipment

When an item of structures or equipment, included in assets of the Revolving Fund, is lost or so severely damaged due to fire, flood, theft, sinking or other casualty that it must be written off and the loss thereof would normally be covered in commercial practice by insurance policies, the book value of the structure or equipment item will be transferred to general ledger account 308, Plant Retirement Work in Progress and to a retirement work order account in the 479.-series of subsidiary cost accounts established to record the transaction. Other expenses related to the loss and credits realized for salvage, reimbursed damages, etc., will be recorded in the work order account. Upon completion of all retirement actions, including the processing of appropriate documents approved by competent authority, the balance will be transferred to general ledger account 351, Insurance, and distributed to the appropriate subsidiary cost accounts in the 495.- series so as to reflect the loss and any recoveries. Remaining balances in nongroup plant operation accounts will be charged (or credited as appropriate) directly to cost account 495.6 (GL 351).

(2) Casualty Damages to Structures and Equipment

When an item of structures or equipment included in assets of the Revolving Fund is damaged due to a casualty such as is normally covered by commercial insurance policies, cost of rectification of damages will be accumulated in appropriate shop work order accounts if accomplished by hired labor operations and upon consummation of the work, will be transferred to general ledger account 351 Insurance, and to the appropriate subsidiary cost accounts in the 495.-series. If the repairs are performed by contract, progress and final accruals under the contract will be charged directly to general ledger account 351 Insurance, and to appropriate subsidiary cost accounts in the 495.-series.

(3) Casualty Damage and Losses to Warehouse Stock

When items included in warehouse stock accounts in the Revolving Fund are lost or damaged to the extent of becoming unusable for the purpose for which held as a result of a casualty such as is normally covered by commercial insurance policies, book cost of the items will be charged to
* general ledger account 415 Operating Expenses (subsidiary cost account 426.-
Cost of Goods Consumed and Sold) and credited to general ledger account
* 315.1 Warehouse Stocks. Any estimated salvage value of damaged stocks
* will be further charged to subsidiary cost account 427.-Salvage Operations
and the remainder of the loss, or damage charged to general ledger account
351 Insurance, and credited to general ledger account 415 Operating Expenses
* (subsidiary cost account 426.-, Cost of Materials Consumed and Sold (joint
cost credits column)).

1 Apr 69

(4) Casualty Damage or Loss to Plant Inventories. Casualty, losses or damages to plant inventory items will be charged directly to general ledger account 351 "Insurance" and to the appropriate subsidiary cost account in the 495.-series with credit to the plant operating account.

(5) Cost of Public Liability Damages. Costs incurred as a result of liability to the public or other agencies when resulting from Revolving Fund activities, and when properly documented and approved by competent authority, will be charged to the appropriate cost account in the 495.-series.

(6) Documentation. Amounts to be charged to the insurance accounts for loss or destruction of Revolving Fund property, or for damages resulting from Revolving Fund activities, will be substantiated in all cases by documents approved by competent authority, stating the nature, cause and monetary extent of loss in property value.

e. Transfer and Retirement of Tools, Office Furniture and Equipment. Transfers of tools, office furniture and equipment, and retirement by sale or otherwise, will be reflected in the accounts currently on the basis of appropriate property accounting documents in which are shown amounts of original costs, transfer values or sale price as shown in sales contracts. Retirement work order cost accounts will be maintained for each class of tools, office furniture and equipment as provided in paragraph 7-16c. Normally, balances of these accounts for tools, office furniture and equipment will be cleared quarterly to the appropriate accounts. However, the same ledger card will be used for each class until fully posted.

f. Conversion of Plant. When an item of plant is to be converted from one type to another, to the extent that it is considered a new item of plant, the net remaining balance in the plant operation account relating to the original item of non-group plant will be charged or credited as appropriate to Account 338, Nonoperating Income (or Loss), subsidiary cost account 490.9. A plant acquisition work order account Form 17A (Costs) will be established under general ledger account 307, Plant Acquisition in Progress (cost account 478.-) to which will be charged the book value of the plant to be converted and conversion costs, net of any salvage or other credits. Upon completion of conversion work, the new book cost of the converted plant (balance in cost account 478.-) will be transferred from account 307 to the applicable plant in service account.

7-17 Function of Plant Operation Accounts. a. Classification. The plant operation cost accounts of the Revolving Fund are classified as: (1) nongroup operating accounts; (2) group operating expense accounts; and (3) tool replacement and expense accounts.

b. Nongroup Plant Operating Expense. The operating expenses for this class of equipment are reflected in separate accounts in the 421.- and 421.2- series of cost accounts maintained for each airplane and each item of floating plant listed in paragraph 7-14e. Such operating expenses include repairs, depreciation, cessation of work, labor of operating crews subsistence supplies, ice, fuel, lubricants, miscellaneous operating supplies and expenses, insurance (computed in accordance with paragraph 7-25), provision for plant replacement (computed in accordance with para 7-18.1) and service of attendant plant. Miscellaneous operating supplies are those not otherwise specified and which are currently consumed in operations, as distinguished from those items which are properly chargeable to plant repairs. Miscellaneous operating expenses include the cost of laundering, travel expenses, etc., and credits for collections for meals, lodging, etc., on the plant.

(1) Depreciation. Depreciation will be charged to the appropriate plant operation accounts in accordance with para 7-15f.

(2) Repairs and Replacements include:

(a) All costs in connection with the renewal, substitution, or replacement of parts that have become worn out or inadequate for service, providing that the renewals or replacements have substantially no greater capacity than the parts replaced. When renewals or replacements have a substantially greater capacity than that of the parts renewed or replaced, the estimated portion of the cost of renewals or replacements in excess of the estimated cost of parts replaced will be classified as betterments and charged to the appropriate operating equipment (asset) account.

(b) All costs in connection with general overhauling and reconditioning the plant item performed at Government or private shops and docks, and certain field repair costs.

1 Shop repairs are those of a nature requiring the operating equipment to be drydocked or laid up for an extensive period for the purpose of making major repairs or general overhaul. Shop repairs, whether performed at Government or private shops and docks, will include all charges in connection with the general overhauling, renewal, substitution, or replacement of parts of plant that have become worn out or inadequate in service, provided that the renewals or replacements have substantially no greater capacity than the parts replaced.

1 Apr 69

2 Field repairs are generally of such a nature that they do not require the plant to be idle for an extended period. In making charges for such repairs the following regulations will govern:

a If the repairs cause the operating equipment unit to shut down for a period of one shift or more during normal working time, the total cost of such repairs, including the pay of crew actually engaged in the repair work, will be charged as repairs. The cost of that part of the crew not actually engaged in the repair work and other operating costs, including attendant plant, not directly chargeable to repairs will also be considered as operating costs, appropriately designated.

b If the repairs cause the operating equipment unit to shut down for a period of less than one shift during normal working time, only the actual cost of parts used and special services rendered by other than the regular members of the operating crews will be charged as repairs. All other costs of operation, including attendant plant, will be considered as operating costs, appropriately designated.

(3) Cessation of Work A fair and equitable per diem charge for use of operating equipment cannot be made unless a proper factor is included to represent expenses of care and maintenance during periods of idleness. Idleness may be caused by either of the following conditions:

(a) During the winter months, in certain localities, operating equipment is generally laid up on account of river or weather conditions.

(b) Periods of idleness may occur due to the fact that there is no work available upon which the operating equipment can be employed. Only such costs as are incurred in connection with the actual caring for or maintenance of the operating equipment during these periods of idleness should be charged to the plant operation account. If periods of idleness occur while operating equipment is assigned to a job during the normal working season, due to adverse weather or river conditions, all expenses of maintenance will be charged to the Plant Operation Account, appropriately designated. Cessation of work will not include the cost of crews held over during a non-working season, unless they are engaged in the actual care and maintenance of the operating equipment. Such costs, if they cannot equitably be charged to other work, are deemed to be incurred for the benefit of the forthcoming operation season and therefore should be deferred (See Account 483.- Paragraph 7-9k) and later charged off to the work for which such personnel was retained.

(4) Small Tools, etc. This factor includes all costs in connection with additional acquisition or replacement of expendable small tools, rigging, and galley and quarters equipment. Expenditures for the initial supply of these items will be charged to the proper operating equipment (asset) account.

c. Group Plant Operating Expense. The operating expenses for this class of equipment include the labor of operating crews, fuel, lubricants, miscellaneous operating supplies and expenses, depreciation (computed in accordance with paragraph 7-17b(1)), repairs and cessation (as defined in paragraph 7-17b(2) and 7-17b(3)), insurance (computed in accordance with paragraph 7-25), etc. Group plant operation costs will be maintained for items of equipment not included in the preceding subparagraph "b." Each group account will consist of items of the same type and of approximately the same size or service capacity.

d. Tool Replacement and Expense Costs. This class of expense includes the purchase of expendable tools and equipment of a durable nature, depreciation (computed in accordance with paragraph 7-15, relating to nonexpendable tools, office furniture and equipment), insurance (computed in accordance with paragraph 7-25) and labor and miscellaneous expenses incurred in maintaining, receiving, storing and issuing expendable and nonexpendable tools, office furniture and equipment.

* e. Plant Inventories. For nongroup plant items, final operating reports (Forms Nos. 27 (costs), 3725, 4267, and 30 (costs)) for each month reveal quantities and value of operating supplies on hand. Operating reports for each month applicable to certain items of group plant and other operational activities should disclose similar information. At the end of each month, the Plant Inventory Account (315.2) will be adjusted to the Plant Operations Account (415) to reflect the actual amount of inventory of materials on hand. This inventory adjustment may be accomplished by credit to applicable columns in the plant operation cost accounts (GL 415) and debit to General Ledger account 315.2 with end of month inventory. At the beginning of the following month the foregoing entries will be reversed.

f. Earnings and Cost Distribution - Nongroup Plant (Subsidiary Cost Account 421.1; 421.2).

(1) Operating costs of each item are charged to the accounts for the work or activity on which the plant is actually operated during the accounting period at predetermined rates computed in accordance with para 7-18. Time Distribution of Plant, Form No. 25 (Costs), has been designed for use in assembling and distributing the time of plant to appropriate accounts. Where, due to frequent transfers between jobs, or for other reasons, the use of this form is impracticable, Form No. 2 (Costs), or other convenient form may be used as necessary.

(2) The operational time of nongroup items will be accumulated and reported under the following categories:

(a) Effective Time

To include only the time plant is actually performing functions for which it is primarily engaged.

ER 37-2-10
Change 31
18 Jun 76

(b) Noneffective Time. To include the time of interruptions due to operating delays which are not caused by the plant being out of commission.

(c) Lost Time not Chargeable to Work. To include the time plant is temporarily out of commission due to collision, repairs or other causes.

(3) The effective and noneffective working time not chargeable as repairs will be charged to the work.

(4) In cases of field repairs requiring the time of one shift or more, the actual charges for the crew labor (where only a part of the crew is engaged on the repairs), and the actual charges for fuel, lubricants, and other supplies used during the repairs will be reported to the district cost accounting section, and at the end of the month these amounts will be charged as repairs in the operating expense accounts.

(5) Where a quarter boat is used to house and/or to subsist the crew of an item of plant, separate operating costs will be kept for the quarter boat, the same as for any other item of plant, and the net total cost of operation distributed at the end of the month, and charged as attendant plant to the item or items of plant.

(6) The entire operating expenses of an item of plant will be maintained in one account by the owning district.

g. Earnings and Cost Distribution - Group Plant (Subsidiary Cost Accounts 421.3-).

(1) Administrative Vehicle Operational Record, ENG Form 3662, has been designed for use in assembling and distributing the vehicle usage to appropriate accounts. For other group plant Form No. 25 (Costs), or other suitable forms, will be used.

(2) Except as provided in (3) below, expense for the use of each unit of a group will be billed to the work on which it is engaged at uniform equitable rates. These rates may be established on the basis of mileage, hours of service or any other factor which will provide a sound and equitable distribution. Rates charged for use of group plant will be established in amounts which include a factor for repair and overhaul in advance of incurring such costs, thus providing a reasonable credit balance which will approximate zero upon completion of the repairs. The group operating accounts will be analyzed at regular intervals throughout each fiscal year to prevent accumulation of * excessive debit or credit balances in the accounts. Excessive debit or credit balances that would materially distort the current operating rate if recovered in one year will be recovered in three years or less.

(3) Where group items are leased to a municipality or private party, the lessee is normally required to furnish all fuel, lubricants and other operating supplies, regardless of whether the plant is furnished with or without operating personnel. Accordingly, rates for such group items leased to a municipality or private party will exclude the factors for items not furnished by the Government.

* h. Operation Balances - Plant Disposed Of. Remaining balances in group plant operating accounts, upon disposition of the last item in the group asset account and remaining operating account balances for non-group plant retired will be prorated to the open items of work on which the plant worked during the past year or operating season. If there are no open items, apply the balance to open items of like work.

i. Deferral of Plant Operation Balances. At the end of each accounting period for which reports on the Revolving Fund (RCS DAEN-RMF-1 (R2)) are submitted to the Chief of Engineers, an adjustment entry will be processed to transfer balances in group and nongroup plant operation accounts to Deferred Balances - Plant Operations (GL 415 to GL 325.1). * This entry will be reversed at the beginning of the next accounting period. Entry in the 421.- series accounts reflecting the adjustment (and reverse thereof) will be limited to summary amounts posted to an account in the 421.- series maintained for this purpose; detail entries will not be made in each operation account.

j. Distribution of Tool Replacement and Expense Account (Subsidiary Cost Account 422.-). Charges for the use of tools, office furniture and equipment will be made monthly on an equitable basis to revolving fund activities and to projects for which such items are held, preferably in the ratio that direct labor charges for each such activity or job bear to direct labor charged for all such activities or jobs. Predetermined rates may be established for the categories of tools, office furniture and equipment. However, such predetermined rates will be reviewed to ensure the sufficiency thereof with the objective to recover during the fiscal year all costs incurred for tool replacement and expense.

k. Plant Operation Ledger Forms (Subsidiary Cost Accounts 421.-).

(1) ENG Forms 17A (costs will be used for each nongroup plant item to record all ownership expenses, other operating expenses and income. Monetary columns are as follows:

(a) Card 1 (Ownership expenses - Dr. GL 415):

<u>COL</u>	<u>TITLE</u>
1	Depreciation
2,3,4	Repairs and Replacements
2	Hull
3	Machinery
4	Small Tools, etc.
5	Cessation of Work
8	Total

ER 37-2-10
1 Apr 69

(b) Card 2 (Other operating expenses - Dr GL 415):

<u>Col</u>	<u>Title</u>
1	Operating Labor
2	Subsistence
3	Fuel
4	Lubricants
5	Miscellaneous
6	Insurance
7	Attendant Plant
8	Total

(c) Card 3 (Income):

<u>Col</u>	<u>Title</u>
6	Joint Cost Credits (Cr)(GL 415)
7	Sales (Cr)(GL 401)
8	Total (Cr)

(2) Group plant operating expense and income ledger containing the following monetary columns will be maintained on Form 17A (Costs) to record operating expenses and income applicable to items included in group accounts, except for vehicles. Column 3 includes labor, supplies, materials equipment, and other costs chargeable as repairs and replacements.

<u>Col</u>	<u>Title</u>
2	Operating Labor (Dr)(GL 415)
3	Repairs (Dr)(GL 415)
4	Depreciation (Dr)(GL 415)
5	Operating Supplies, Insurance and Miscellaneous Expenses (Dr)(GL 415)
6	Joint Cost Credits (Cr)(GL 415)
7	Sales (Cr)(GL 401)
8	Balance (Dr or Cr)

- * (3) Separate asset accounts in the 475.-series (para 7-9c) and group operating accounts in the 421.3-series (sub-paras (4), (5), and (6), below) will be maintained for Revolving Fund-owned vehicles as included in DAEN-ASV's annual 56-2 series Engineer Circular. *

(4) Direct Expense Ledger containing the following monetary debit columns will be used to record direct expenses for vehicles included in group operating accounts.

Operating

(a) Driver Labor (GL 415) - to include labor costs of drivers and chauffeurs.

(b) Other Labor (GL 415) - to include other direct labor, such as labor of dispatchers and service station attendants distributed from garage operations account.

(c) Materials (GL 415) - to include all other direct expenses such as fuel, motor oil, antifreeze, chains, and replacement tires and tubes.

Maintenance

(d) Labor (GL 415) - to include cost of direct labor for repairs and preventive maintenance whether performed in government shops or by commercial contract.

(e) Materials (GL 415) - to include cost of materials used for repairs and preventive maintenance whether used in government shops or by commercial contract.

(f) Total Direct Expenses (GL 415).

(5) Indirect Expense Ledger containing the following monetary debit columns will be used to record indirect expenses for vehicles included in group operating accounts.

(a) Operating (GL 415) - to include cost of indirect labor and materials such as cleaning supplies, clerical and custodial labor, rent and repair costs of structures held for use of motor pool.

(b) Maintenance (GL 415) - to include cost of indirect labor and materials such as cleaning supplies, clerical and custodial labor, rent and repair costs of structures held for maintenance activities.

(c) Other (GL 415) - to include accruals of depreciation and insurance premiums.

ER 37-2-10
Change 53
29 Nov 84

(6) ENG Form 17A (Cost Sheet-Miscellaneous) with the same monetary columns as for nongroup plant (para 7-17k) will be used to record all income for vehicles.

* (7) Separate operating expense accounts will be maintained for vehicles: (a) rented from commercial firms, (b) rented from Government operated inter-agency motor pools, and (c) other vehicles not owned by the Revolving Fund but for which operating expenses are initially incurred in the Revolving Fund. These accounts will be maintained for each group as indicated in DAEN-ASV's annual 56-2 series Engineer Circular. *

1. Tool Replacement and Expense Ledger Forms (Subsidiary Cost Accounts 422.-).

- (1) Results from Prior Year Operations (GL 337)
- (2) Purchases (Expendable Items) (GL 415)
- (3) Depreciation (Nonexpendable Items) (GL 415)
- (4) Labor (Maintenance, Repairs, etc.) (GL 415)
- (5) Insurance and Miscellaneous Expenses (GL 415)
- (6) Joint Cost Credits (GL 415)
- (7) Sales (GL 415)
- (8) Balance

7-18 Computation of Rates - Nongroup Plant.

a. Predetermined Rates. Expense for the use of each plant item will be billed to work on which engaged at a predetermined rate. Such rate will be reviewed and adjusted as necessary as of start of each fiscal year and adjusted during the year as necessary to meet operational or cost changes from the previous estimate. The objective is to absorb the current year estimated cost and to provide an adequate balance for future repair and overhaul. Debit or excessive credit balances that would materially distort the current operating rate if recovered in one year will be recovered in three years or less.

b. Computation of Rates. Rates are computed on ENG Form 22 (Plant Rate Computation) which will be prepared and submitted as outlined in ER 1125-2-306 and the following instructions:

7-171

7-58

Plant Ownership Costs (Actual)

Item No.

1 - "Prepared for" - enter the fiscal year to which the actual or estimated data applies.

2 - "Estimated Life-Years" - enter the total estimated economic life of the plant from date first placed in service.

3 - "Original Cost" - enter the actual or estimated cost of the plant new. If the plant was acquired by transfer or donation, the book value to be recorded initially will represent the estimated cost of the minimum plant required to adequately accomplish the intended mission.

4 - "Additions and Betterments" - enter the actual cost of additions and betterments as shown by the cost accounts. If the plant was acquired by transfer or donation estimates may be shown in lieu of actual costs. Where estimates are used this fact will be stated on the form and the detailed estimate made a part of the cost accounting records.

5 - "Total Cost" - will be the total of Item 3 plus Item 4 and will agree with the book cost as shown in cost records.

6 - "Depreciation Credited" - enter the balance of Provision for Depreciation account for the item.

7 - "Remaining Book Value" - will be Item 5 minus Item 6.

8 - "Estimated Salvage Value" - enter the best available estimate of the amount which may be obtained for the plant upon retirement. This estimate will be reviewed and revised periodically to reflect changes in costs and price indices.

9 - "Balance to be Depreciated" - will be Item 7 minus Item 8.

10 - "Estimated Remaining Life-Years" - will be Item 2 minus the number of years and months the plant has been in use. Portions of a year (full months) will be expressed decimally, carried to not more than two places. The years and months in use will coincide with the number of full months for which depreciation has been credited.

Annual Operation Costs (Estimated)

Item No.

11 - "Depreciation" - will be Item 9 divided by Item 10 when estimate is prepared.

12 - "Repairs and Replacements" - enter the estimated cost of this item for the particular year, including both normal and major overhaul repairs.

ER 37-2-10
Change 46
24 Aug 81

13 - "Cessation of Work" - enter the estimated costs of this item as defined in para 7-17b(3) above, for the particular year.

14 - "Small Tools, etc." - enter the estimated costs as defined in para 7-17b(4) above, of this item for the particular year.

15 - "Operations" - enter the estimated total of all charges to the plant operation account for the particular year less those included in 11 thru 14 above. This item includes labor, subsistence,
* District overhead, fuel, lubricants, insurance, attendant plant, plant replacement charges, and miscellaneous expenses.

16 - "Provision for Overhaul Repairs Adjustment" - will include provision to insure that the effect of overhaul repairs is taken into account in computing the rate to be charged for a particular year. In establishing this amount for each year, consideration will be given to the planned overhaul repair and replacement program required to maintain the plant in operable condition to retirement date with the objective of providing a credit balance in the account adequate to absorb overhaul repair costs when incurred. Positive (add) amounts are entered when necessary to increase the charges for the current year; negative (subtract) amounts are entered to decrease the charges.

17 - "Total Costs" - enter the total of Items 11 to 16, inclusive.

18 - "Estimated Days in Use" - enter the estimated number of days for which charge will be made for use of the plant.

19 - "Daily Rate" - will be obtained by dividing Item 17 by Item 18. The basic daily rate will be adjusted when required to provide for additional shifts or extra hazardous work.

20 - Approval will be in accordance with ER 1125-2-306.

Annual Operating Costs (Actual)

Item No.

21 - "Year" - Same as Item 1.

22 - "Depreciation" - enter the depreciation charged to the plant operation account for the particular year.

23 - "Repairs and Replacements" - enter total charges for this item.

24 - "Cessation of Work" - enter total charges for this item.

25 - "Small Tools, etc." - enter the total charges for this item.

7-18b

7-60

- * 26 - "Operations" - will be the total of all charges to the plant operation account, including District overhead, less those shown in items 22 thru 25 for the particular year. *

27 - "Total Costs" - enter total of items 22 thru 26.

28 - "Earnings" - enter total amounts charged to projects or other accounts for use of the plant.

29 - "Net Balance" - will be Item 28 less Item 27. If Item 27 is larger, a negative (-) amount will be shown.

30 - "Prior Year Balance" - enter the cumulative to date balance of the plant operation account up to end of preceding fiscal year. Debit balances will be indicated (-).

31 - "Balance, to Date" - enter the algebraic sum of items 29 and 30. A debit amount will be shown (-).

32 - "Days In Use" - enter the actual number of days for which charge was made for use of the plant.

c. Periods charged. The per diem rates will be charged to projects for such periods as the plant is engaged, as follows:

(1) Such periods include the time spent:

- (a) In preparing the plant for departure for the work.
- (b) In transit to the work.
- (c) At the work.
- (d) In transit to home station.

(2) During a normal working season the rate will be charged for each day or fraction thereof the plant is employed, including Sundays and holidays, regardless of whether the plant is in actual operation. Exceptions to this rule may be made when operating delays of one shift or more are caused on account of the necessity of making repairs.

(3) During the nonworking season, if any, the rate will be charged only for such days as the plant is actually at work, that is, no charge will be made for idle time due to adverse weather or river conditions.

ER 37-2-10
Change 40
20 Aug 79

- * (d) Cost of Maintaining Government Plant Idle Due to Work Having Been Performed by Contract. All cost of maintaining idle plant will be charged to the "plant operation" account regardless of whether or not the plant was idle due to work having been performed by contract or for some other cause. Normally the debit balance in the "plant operation" account arising from such causes is for absorption in the plant rate. If the rate for any item of plant, which has been idle due to the work having been performed by contract, becomes prohibitive as a result of this procedure, appropriate recommendations will be submitted to the Chief of Engineers, when the Plant Rate Computation, ENG Form 22, is revised.

PLANT RATE COMPUTATIONS

DATE PREPARED (as of date) 1 October 1978	DATE BUILT OR ACQUIRED July 1961	OWNING APPROPRIATION OR PROJECT Revolving Fund 96X4902		
PLANT OWNERSHIP COSTS (Actual)				
1 PREPARED FOR	FY 1976	FY 1977	FY 1978 (1)	FY 1979
2 ESTIMATED LIFE-YEARS	30	30	30	
3 ORIGINAL COST	11,178,893	11,178,893	11,178,893	
4 ADDITIONS AND BETTERMENTS	405,585	462,073	466,011	
5 TOTAL COST	11,584,478	11,640,966	11,644,904	
6 DEPRECIATION CREDITED	5,517,592	5,902,052	6,290,542	
7 REMAINING BOOK VALUE	6,066,886	5,738,914	5,354,362	
8 ESTIMATED SALVAGE VALUE	300,000	300,000	300,000	
9 BALANCE TO BE DEPRECIATED	5,766,886	5,438,914	5,054,362	
10 ESTIMATED REMAINING LIFE-YEARS	13	12	11	

ENG FORM 22
1 APR 74

REPLACES COST FORM 22, WHICH MAY BE USED.

(Over)

ANNUAL OPERATING COSTS (Estimated)				
11 DEPRECIATION	383,100	384,460	388,490	388,800
12 REPAIRS AND REPLACEMENTS	334,000	980,000	332,000	320,000
13 CESSATION OF WORK	10,000	10,000	10,000	10,000
14 SMALL TOOLS, ETC.	30,000	30,000	30,000	30,000
15 OPERATIONS	1,599,900	1,395,540	1,622,710(2)	1,636,000(2)
16 PROVISION-OVERHAUL REPAIRS ADJUSTMENT	30,000	-630,000	100,000	100,000
17 TOTAL COST	2,387,000	2,170,000	2,483,200	2,484,800
18 ESTIMATED DAYS IN USE	310	280	320 (3)	320 (3)
19 DAILY RATE	7,700	7,750	7,760 (2&3)	7,765 (2&3)
20 APPROVED BY (show office, date & initials)	6/23/76 AHD	6/23/77 AHD	6/23/78 AHD	6/22/79 JFK
ANNUAL OPERATING COSTS (Actual)				
21 YEAR	FY 1976	FY 1977	FY 1978	FY 1979
22 DEPRECIATION	383,100	384,460	388,490	
23 REPAIRS AND REPLACEMENTS	339,817	937,680	348,200	
24 CESSATION OF WORK	7,982	8,742	11,430	
25 SMALL TOOLS, ETC.	31,368	29,833	27,872	
26 OPERATIONS	1,546,783	1,485,705	1,565,518	
27 TOTAL COSTS	2,309,050	2,846,420	2,341,510	2,384,800
28 EARNINGS	2,425,500	2,208,750	2,467,680	2,484,800
29 NET BALANCE	116,450	- 637,670	126,170	100,000
30 PRIOR YEAR BALANCE	643,780	760,230	122,560	248,730
31 BALANCE, TO DATE	760,230	122,560	248,730	348,730
32 DAYS IN USE	315	285	318	
EXPLANATORY OR HISTORICAL DATA				
(See para 7-18d for footnotes.)				
DISTRICT	NAME OF PLANT		TYPE OF PLANT	

d. Explanatory or Historical Data. By footnotes on ENG Form 22, report the following information for appropriate periods as illustrated below. The reverse side of the form should be used for continuation of explanations.

(1) Includes actual cost thru 31 May 78 and estimates for June thru September 1978. Actual fiscal year 1978 will be included in next revision.

(2) Charges for plant replacement will be reported for the current fiscal year and the next fiscal year, as follows:

Charges for Plant Replacement

	<u>Line 15</u>	<u>Line 19</u>
FY 1978	97,400	304
FY 1979	98,200	307

(3) Where differing shift rates are employed, computation of each shift rate should be shown as below for the current fiscal year (FY 1978). The next fiscal year (FY 1979) should also be shown as below, separately from FY 1978. Include also rates for hazardous work or other unusual conditions and compute on the line shown as "Other".

Shift Rates to be Used - FY 1978

<u>(1)</u> <u>Work Schedule</u>	<u>(2)</u> <u>Days in</u> <u>Use (Line 18)</u>	<u>(3)</u> <u>Rate</u> <u>(Line 19)</u>	<u>(4)</u> <u>Estimated</u> <u>Income (2 x 3)</u>
5 day Week	85	7,000	595,000
7 day Week	230	8,030	1,846,900
Other	5	8,260	<u>41,300</u>
Total Income for Period (Line 18 x 19)			2,483,200

* (4) District overhead included - lines 15 and 26.

FY 1976	\$
FY 1977	\$
FY 1978	\$
FY 1979	\$

*

7-18.1 Funding Plant and Equipment on Replacement Cost Basis.

a. General. Provision is made for charging a factor to projects using Revolving Fund plant and equipment to cover the increased cost of replacements over the original cost of the items. The future cost of inflation is thereby charged to those projects on which the plant and equipment benefits.

b. Computation of Charges for Plant Replacement.

(1) Hydraulic Dredges and Aircraft. A provision for plant replacement will be charged annually to projects through the plant operation accounts. The amount of the charge is dependent upon three factors:

- * (1) the estimated annual replacement charge (published annually in an EC 37-2 series Engineer Circular); (2) the estimated work units (hours, days, cubic yards, etc.) established by the districts, and (3) the actual work units performed. If during the work year the estimate for work units is materially changed (+ - 10% or greater), a recomputation of charges will be made and applied at the new rate when the FOA become aware of the change. The computation of the charge should be made in accordance with the following example: *

Estimated Annual Replacement Charge	\$100,000
÷ Estimated Work Units	125
= Charge Per Work Unit	\$ 800
X Actual Work Units	130
= Actual Replacement Charge	\$104,000

It should be noted that the Actual Replacement Charge computed may or may not equal the Estimated Annual Replacement Charge. However, it is the Actual Replacement Charge that is to be charged to the plant operation account and transferred to HQUSACE/OCE.

- * (2) Other Plant, Equipment and Structures. Amounts to be charged annually for these assets are computed by reference to the charts published annually in a 37-2 series Engineer Circular. Using the date of acquisition or construction for non-group plant and structures, or average date of acquisition for group plant and tools, office furniture and equipment, the applicable chart will provide the factor which when multiplied by the book cost (original cost plus additions and betterments) will produce the estimated replacement cost. The difference between estimated replacement cost and book cost when divided by the estimated total economic life will provide the annual amount to be charged to expense accounts applicable to the assets. For non-group plant, other than hydraulic dredges and aircraft, the annual amount will be converted to a work unit amount as indicated for hydraulic dredges and aircraft and charged on the basis of units actually worked. For other plant, equipment and structures, the annual amount will be converted to a monthly or quarterly amount and charged to expense accounts applicable to the assets.

(3) Frequency. Frequency of charges should be the same as used for charging depreciation accruals.

c. Limitations on Total Economic Life for Computation of Charges. The following maximum total economic life will be used in computing the annual amounts of charges.

* <u>Assets</u>	<u>Estimated Total Economic Life</u>
Structures	As determined by District Commander, but not in excess of 50 years.
Floating plant - non-group	ENG Form 22, but not in excess of 50 years.
Floating plant - group	Group average from ENG Form 2438, but not in excess of 40 years.
Plant other than structures and floating	ENG Form 22 or group average from ENG Form 2438, but not in excess of 20 years.
Tools, office furniture and equipment	Average for each sub-account as determined by District Commander, but not in excess of 20 years.

ER 37-2-10
Change 50
2 Dec 83

- * d. Transfer of Earnings to HQUSACE/OCE. At the end of each fiscal quarter, amounts charged to expense during the quarter will be transferred to the HQUSACE/OCE. The transfer of plant increment by the FOA will be accomplished by preparing ENG Form 4479 or 4480 (Dr. Account 330; Cr. Account 310). The entry will be made in the month following the end of each quarter and will be for the amount reflected as a balance in General Ledger 330 as of the end of the quarter. Upon the receipt of RCS DAEN-RMF-1 (R2) reports each quarter, CDR USACE (DAEN-RMF-C) will prepare a contra entry of the amount transferred by each FOA based on the data recorded in the FOA's General Ledger Account 330 account. A Schedule E will be required to accompany the year-end Report 1 (Trial Balance of General Ledgers and Summary of Transactions). Schedule E will reflect the prior years cumulative charges, current year activity and total to date charges for the plant replacement. The format for Schedule E is as follows:

SCHEDULE E

Provision for Plant Replacement
Summary Details
30 September 19__

*

<u>Accounts Charged</u>	<u>Total to End Last FY</u>	<u>Current FY</u>	<u>Total</u>
421.- thru 422.-	\$ 8,562.90	\$ 6,850.02	\$15,412.92
425.- thru 427.-	120.10	95.00	215.10
430.- thru 459.-	2,465.80	1,860.00	4,325.80
460.- thru 469.-	<u>400.00</u>	<u>275.80</u>	<u>675.80</u>
Totals	\$11,548.80	\$ 9,080.82	\$20,629.62

- e. Assets for Which Replacement Charges are Processed. E for assets in process of acquisition or disposal, charges for replacement will be processed for all plant and equipment carried in the Revolving Fund unless a specific deviation is authorized by Commander/Chief of Engineers.

f. Revision of Charges. Revisions to amounts of annual charges for plant replacement will be accomplished as follows:

- * (1) Hydraulic dredges and aircraft. - Annual 37-2 series Engineer Circular. *
- (2) Structures. - When structures are acquired or retired, or major modifications occur.
- (3) Group and nongroup plant (except hydraulic dredges and aircraft). - When items are acquired or retired, or when ENG Forms 22 (nongroup) or 2438 (group) are revised as provided by ER 1125-2-306.
- (4) Tools, office furniture and equipment. - Adequacy will be reviewed by District Commanders at beginning of each fiscal year and revised if necessary based upon changes occurring in each sub-account.

7-19 Loan of Plant between Districts. a. Time Chargeable to Borrowing District. When plant is loaned to a single borrowing district, the cost of operation for the time stated in paragraph 7-18c of this chapter will be charged to the borrowing district. When plant is loaned to one borrowing district, and after completion of the work it is loaned to another borrowing district, the second borrowing district will be charged with the cost of operation from the time the plant left for that district. The last borrowing district will pay the cost of operation for the time in transit to the home station. When plant is being used in one borrowing district and is desired by another district with the understanding that upon completion of work the plant will be returned to the previous borrowing district, the second borrowing district will be charged with the cost of operation from the time it leaves until the time it returns to the previous borrowing district.

b. Other Costs. Costs for fuel, supplies and other expenses chargeable to operation account of the plant paid by borrowing district will be billed monthly to owning district. Owner district will charge the costs to plant operation account. For application of overhead on costs of borrowed plant, see para 7-23a(3)(a.1).

c. Insurance. Costs of the kinds properly chargeable to the Revolving Fund Insurance account (GL 351), pertinent to borrowed plant, will be reflected in such account maintained by the lending district, except for damages to private property and reimbursement for loss of personal property caused by Revolving Fund operations where the borrowing district furnished the crew. (See ER 1125-2-305).

7-20 Plant in Mothball Status.

a. Depreciation. Cessation of depreciation accruals will be effected for the duration of mothball status. Upon reactivation, the remaining service life of the plant will be ascertained, and the rate of depreciation charge determined in accordance with applicable provisions of this manual.

b. Plant operation balances. Debit plant operation balances applicable to plant placed in mothball status will be charged to a deferred account in the 483.- series of subsidiary cost accounts (GL 325.2), and absorbed on an equitable basis into work of the district last utilizing the plant through appropriate operating accounts in the 421-469 series. Credit balances should be transferred to the deferred account mentioned in paragraph 7-20c.

c. Mothballing and De-Mothballing Costs. Such costs (including costs incurred while in lay-up status) should be initially charged to a deferred account in the 483.- series of subsidiary cost accounts (GL 325.2) of the district preserving the plant. Upon reactivation of the plant, an equitable distribution of any balance in this account will be made giving consideration to past usage, reasons for retention in mothballed status and proposed future utilization of the plant. The proposed method of distribution, mutually agreed upon between the District and Division Engineers concerned, will be referred to

* WRSC-D, Ft Belvoir, VA 22067 for approval prior to accomplishment thereof.

ER 37-2-10
Change 52
30 Apr 84

7-21. Function of Warehouse Activity Accounts. a. General. Under this caption the following topics are discussed:

- (1) Stock Accounting Procedures
- (2) Warehouse Operating Expenses
- (3) Cost of Materials Consumed and Sold
- (4) Salvage Operations

b. Stock Accounting Procedures.

(1) General. Charges to the Warehouse Stock account will be made from information shown on ENG Form 3005 (Bureau Voucher (procurements)) or if the articles are produced or manufactured in the district, from ENG Form 3006 (Bureau Voucher (for cost transfers)) or ENG Form 3007 (Journal Entry) contra credits on which will be to the accounts to which the charges were made originally. Credits to Warehouse Stock account will be made from ENG Forms 3006 and 3007, representing summaries of ENG Form 3059 (Requisitions on Warehouseman), ENG Form 3006 covering sales and ENG Form 3007 covering joint cost credits. The balance in this account represents the value of stocks in the warehouses. In accounting for stock no distinction will be made between stocks received without reimbursement and stocks actually purchased. When stock is received without reimbursement, the value thereof will be charged to the Warehouse Stock account and credited to the appropriate subaccount under Account No. 333.- "Transfer of Cost or Property." Subsidiary cost accounts are maintained as described in paragraph 7-9g to record the segregation of active and excess stocks.

* (2) ENG Form 3055 (Warehouse Stock (Inventory) Record Card). This form is prescribed by ER 735-1-1 to be used for recording the movement of all articles carried as stocks.

(3) ENG Form 4-R (Monthly Report of Receipt and Issue of Materials and Supplies). This report will be submitted by the storekeeper to the district office promptly at the close of each month. The ending balance on this report will be reconciled with the balance shown in Warehouse Stock account referred to above. Any necessary adjustments for the month will be entered in the accounts prior to closing the accounts for that month. Monthly, if practicable, but not less frequently than quarterly, the money values of stock balances on stock record cards will be totaled and reconciled with the ending balance shown on ENG Form 4-R. In reconciling, a total difference of not more than \$25 will be entered on ENG Form 4-R as an "accounting adjustment" to bring "Ending Balance" into agreement with stock record cards.

1

(4) Stock - Materials and Supplies

(a) 480.- Active Stocks (General Ledger Account 315.1). All materials and supplies including expendable or nonexpendable tools and equipment, acquired for warehouse stock and later issue to customers of the Revolving Fund and to Revolving Fund activities will be initially charged to Warehouse Stock account of the Revolving Fund. Items delivered direct to some unit of Revolving Fund plant, the location of which would make it impracticable to receive such deliveries at the warehouse and reissue, or when procured for immediate use, will not be charged to the Warehouse Stock account of the Revolving Fund but will be charged direct to the appropriate plant operation or rental account. Likewise, Revolving Fund expendable or nonexpendable tools, office furniture and equipment, acquired for immediate use will be charged to appropriate plant acquisition or expense accounts. Procurements for immediate use on projects, which are received initially at the warehouse for convenience, also will be charged to appropriate project accounts rather than to Revolving Fund Stock account. Stocking standby items in the Revolving Fund Stock account suitable for civil project use is permissible but should be held to a minimum of such requirements. Credits to the Warehouse Stock account will be made at the end of each month for materials and supplies issued. Transactions representing transfers of stock between warehouse stock accounts within a district Revolving Fund will require the usual entries to warehouse inventory cost accounts without entries to General Ledger Account 315.1. When nonexpendable items of tools, office furniture and equipment have initially been issued from warehouse stock accounts by charge to other Revolving Fund accounts, such items will not normally be subsequently recharged to the stock accounts. When such items are no longer required for the purpose for which issued, they will remain in the Revolving Fund asset account for future use, or be disposed of, if surplus. Project owned items may be acquired for Revolving Fund inventories only where a stock requirement exists therefor.

(b) 480.19 - Excess Stocks (General Ledger Account 315.1). These accounts will be charged with the book cost of stock which has been determined to be excess to district requirements in accordance with current regulations relating to property disposal, and will be credited with issues at book cost (net of returns), and with transfers to active stocks.

(c) Complete provisions for stock inventorying are contained in
* ER 735-1-1. Overages and shortages disclosed as a result of such inventorying are

ER 37-2-10
Change 47
30 Apr 82

- recorded on documents specifically provided therefor, and are appropriately recorded on the stock record cards. The total amount of the overages and the total amount of the shortages recorded on the stock record cards during a month will be
- * entered on ENG Form 4-R, Monthly Report of Receipt and Issue of Materials and Supplies, under "Adjustments" thereon. When
 - * the ENG Form 4-R is received in the district office, the value of all overages will be charged to the Warehouse Stock account and credited to the appropriate Warehouse Operating Expense account. All shortages will be credited to the Warehouse Stock account and charged to the appropriate Warehouse Operating Expense account. This method of correcting stock records and the Warehouse Stock account is made with a view to simplifying the procedures involved. Most differences between stock record cards and stock actually on hand in bins, are due to posting to the wrong card. Normally, gains in stocks should be offset by losses in stocks, and where there is considerable difference between these two items a thorough investigation should be made to determine the cause of the differences. Copies of the property documents in support of
 - * the overages and shortages reported on ENG Form 4-R will be available at the storehouse and in the files of the accountable property officer, for auditing or reference purposes.

(5) Accounting for Stock Issues

(a) Requisitions on Warehouseman, ENG Form 3059. Requisition on Warehouseman, ENG Form 3059, has been prescribed by the Property Accounting Manual to serve as an order on the storekeeper for the issue of stock. The cost of warehouse stocks issued, as shown on such forms, will be summarized by amounts chargeable, by the use of ENG Form 2, Summary of Distribution This summary will be prepared by the storekeeper or by the district cost accounting section as deemed most desirable by the District Commander. ENG Form 2 prepared by the storekeeper will be submitted to the cost accounting section promptly at the end of the month.

(b) Distribution of Cost of Issues. With the exception of stock withdrawn for transfer without reimbursement, the book cost of all items withdrawn from district Revolving Fund warehouse stock accounts (480.- series) will be charged in the cost ledgers to subsidiary cost account 426.- "Cost of Materials Consumed and Sold." Total costs of such issues will be segregated and applied to this account as follows:

7-21b(5)

7-70

1 Issues made to Revolving Fund Activities (excluding stock transfers chargeable to general ledger (GL) account 333). Such issues will be charged to column 3, "Book Cost of Stock Consumed (GL 415)."

2 Issues made to projects and for sale to others. Such items will be charged to column 6, "Book Cost of Stock Sold (GL 414)."

(c) Income and Credits Realized from Issues. Credits resulting from application to Revolving Fund activity accounts of the cost and applicable burden pertaining to the issues mentioned in subparagraph (b)1 will be entered in column 4, "Joint Cost Credits (GL 415)." Income realized from sale of the issues mentioned in subparagraph (b)2 will be entered in column 7, "Sales of Stock (GL 401)." In the case of issues to Corps projects and activities, the income is represented by cost of issues plus applied warehouse burden. In the case of other sales, actual proceeds realized will be entered. Returns to stock will be entered (in negative amounts) in applicable book cost columns (3 and 6) and income columns (4 and 7). Entries in income columns for returns will include applicable burden only in cases such as where issues were in excess of amounts requisitioned or were unacceptable substitutes. When ordinary surpluses are returned to stock, credit is allowed only for stock returned exclusive of burden.

(d) Accounting for Gains and Losses on Disposal of Excess Stocks. When excess warehouse stock is sold at a loss, the book value of the stock sold will be credited to the warehouse stock accounts and charged to subsidiary cost account 426.- "Cost of Materials Consumed and Sold" (GL 414). Proceeds realized from the sale will be credited to account 426.- (GL 401). The foregoing will result in reflecting the gain or loss initially in account 426.- "Cost of Materials Consumed and Sold." Such net losses are normally regained through applied warehouse burden. When excess stock is sold for amounts in excess of books costs, any resulting net gain will normally be retained in account 426.- and should be considered in determining burden rates.

c. 425.- Warehouse Operating Expense. Money columns on the ledger sheet for this account will be headed as follows:

<u>Col. No.</u>	<u>Description</u>
1	Results from Prior Year Operations (Dr or Cr) (GL 337)
2	Labor (Dr) (GL 415)

7-71

7-21b(5)(c)

<u>Col. No.</u>	<u>Description</u>
3	Materials and Supplies (Dr) (GL 415)
4	Depreciation and Equipment Usage (Dr) (GL 415)
5	Insurance and Miscellaneous Expenses (Dr) (GL 415)
6	Cash Discounts (Cr) (GL 415)
7	Inventory and Accounting Adjustments (Dr or Cr) (GL 415)
8	Balance (Dr or Cr) (GL 337)

* The opening balance in Account 425. (Col. 1, Results from Prior Year Operations) includes also the balance from account 426. - Cost of Materials Consumed and Sold as of 30 Sep of the previous fiscal year. Operating expenses incurred in handling expendable and nonexpendable tools and equipment will be charged to Account No. 422, Tool Replacement Expense, instead of to this account.

d. 426. - Cost of Materials Consumed and Sold - Active Stocks

(1) Money columns on the ledger sheet for this account will be headed as follows:

<u>Col. No.</u>	<u>Description</u>
3	Book Cost of Stock Consumed (Dr) (GL 415)
4	Joint Cost Credits (Cr) (GL 415)
6	Book Cost of Stock Sold (Dr) (GL 414)
7	Sales of Stock (Cr) (GL 401)
8	Balance (Dr or Cr) (GL 337)

All stock issues (except transfers of stock) will be charged to this account. Book cost of issues will be charged to column 3 if issues are made to other Revolving Fund accounts, and to column 6 if issues are made to projects or others outside the Revolving Fund. Income (sales) or other credits realized from issues, including warehouse burden applied, will be credited to column 4 for issues entered in column 3, or column 7 for issues entered in column 6.

(2) Where the specially designated 426.- series account is maintained in connection with applied burden applicable to procurements for direct delivery, money columns headed as follows will be utilized:

<u>Col. No.</u>	<u>Description</u>
4	Joint Cost Credits (Cr) (GL 415)
7	Sales (Cr) (GL 401)
8	Balance (Cr) (GL 337)

Burden applied to direct procurements for revolving fund activities will be entered in Col. No. 4. Such amounts applied to projects or others will be entered in Col. No. 7.

e. 426.- Cost of Materials Consumed and Sold - Excess Stocks. In those districts where significant excess stock disposal programs warrant, a separate 426.-account may be maintained with respect to excess stocks. Such accounts will be maintained in the same manner as provided for active stocks.

f. 427.- Salvage Operations. Money columns on the ledger sheet for this account will be headed as follows:

<u>Col. No.</u>	<u>Description</u>
2	Labor (Dr) (GL 415)
3	Materials and Supplies (Dr) (GL 415)
4	Insurance and Miscellaneous Expenses (Dr) (GL 415)
5	Value of Salvage Material (Dr) (GL 415)
6	Joint Cost Credits (Cr) (GL 415)
7	Sales (Cr) (GL 401)
8	Balance (Dr or Cr)

Insurance charged to Col. 4 of this account will cover buildings and other assets utilized in Salvage Operations but will not cover the value of salvage materials.

g. 480.- Warehouse Stock - Active (General Ledger Account 315.1). Money columns on the ledger sheet for this account will be headed as follows:

<u>Col. No.</u>	<u>Description</u>
1	Balance, Beginning of Fiscal Year (Dr)
2	Acquisitions (Dr)
3	Inventory and Accounting Gains (Dr)
4	Inventory and Accounting Losses (Cr)

ER 37-2-10
Change 54
28 Feb 85

<u>Col. No.</u>	<u>Description</u>
5	Issues Net of Returns (Cr)
6	Transfers from Excess Stocks or Other Warehouses (Dr)
7	Transfers to Excess Stocks or Other Warehouses (Cr)
8	Balance (Dr)

Transfers of stock between warehouse stock accounts of the district Revolving Fund are entered in columns 6 and 7; no entry in general ledger account 315.1 Warehouse Stocks is required for such transfers.

h. 480.19- Warehouse Stock - Excess (General Ledger Account 315.1).
Money columns on the ledger sheet for this account will be as follows:

<u>Col. No.</u>	<u>Description</u>
1	Balance, Beginning of Fiscal Year (Dr)
5	Issues, Net of Returns (Cr)
6	Transfers from Active Stocks (Dr)
7	Transfers to Active Stocks (Cr)
8	Balance (Dr)

7-22 Functions of Shop and Facility Activity Accounts.

- * a. General. The instructions contained in this section relate to the accounts established to record operating expenses and income of shops, laboratories, garages, reproduction plants, Division Office functions, data processing centers and other facilities and services. Maintenance of such accounts enables ready analysis of the workload, efficiency of operation and profit or loss connected with the particular facility. The accounts involved (VW30 thru VW59) are defined in paragraph 7-13c.

(1) Reimbursement Policies.

(a) Income derived from shop and facility activities should cover costs incurred in operation of the activity. When predetermined rates for cost distribution of shop and facility activities are used, such rates are to be established so as to obtain at fiscal year end only a nominal balance in each shop or facility account.

*

7-22

7-74

- * (b) For those activities when predetermined rates are not used, total monthly gross expenditures should be distributed unless it is required for an independent event to occur before cost distribution, i.e., value engineering - award of construction contract.

(2) Fiscal Year Budget and Quarterly Reviews.

(a) Commanders are required to prepare a Budget/Cost Scheduler in a format similar to Illustration 7-1 for each revolving fund facility and operating account maintained. During the budget process the commander will establish a nominal balance for each account. This nominal balance will be a target. It will be a range from zero to a dollar amount in which the fiscal year ending balance should fall. A target range of plus or minus (+ or -) 5% of one month's average expenditures is suggested. However, the commander may establish other ranges based upon work season, volume of activity in the account, known unusual expenditures or other factors.

(b) Periodic cost studies will be conducted (at least quarterly) to determine adequacy of rates applied. If predetermined rates are not applied, the quarterly review will determine that costs are being distributed timely.

(c) At the end of the third quarter, if individual account balances are outside of nominal balance prescribed by the Commander, the Division Resource Manager and HQUSACE (DAEN-RMF-C) will be notified of reasons for abnormal conditions and corrective action planned to achieve a nominal balance in the account by fiscal year end.

(d) Illustration 7-2 indicates those shop and facilities services for which a nominal balance is applicable and those which should have a nominal zero balance or require an independent event to occur before cost distribution.

*

b. Work Orders for Shop and Facility Services. Work performed in shops and facility services initiated by the issuance of work orders will be classified as follows:

(1) Job Work Orders. These orders relate exclusively to work performed other than for maintenance of shops and facilities. To such orders will be charged all the direct labor employed in their execution, all the material used thereon, dockage and tool charges when applicable, and a prorated amount of both departmental shop and facility expense and general shop and facility overhead.

ER 37-2-10
Change 54
28 Feb 85

*

FISCAL YEAR BUDGET/COST SCHEDULE
FY 19 ____

Shop or Facility
Account Number
NOMINAL BALANCE

	Fiscal Year Budget	Actual Thru 1st Qtr	Actual Thru 2nd Qtr	Actual Thru 3rd Qtr	Actual Thru 4th Qtr
Income:					
Sales					
Interfund					
Total Income					
Expenses:					
Labor					
Material & Supplies					
Repairs					
Depreciation					
Plant Increment					
Insurance					
Other (Specify)					
Total Expense					
CFY Gain or Loss (-)					
BFY Gain or Loss (-)					
EFY Gain or Loss (-)					

CFY = Current Fiscal Year Activity
BFY = Beginning Fiscal Year Balance
EFY = Ending Fiscal Year Balance

Illustration 7-1

*

7-74b

*

SCHEDULE OF SHOP AND FACILITIES
VW30-VW59 ACCOUNTS

ACCOUNT VW	NOMINAL BALANCE	ZERO BALANCE	INDEPENDENT EVENT
30 Reserved			
31 Reserved			
32 Reserved			
33 Freedom of Information Act			X
34 GSA SLUG, FTS and Hydrologic Clearing			X
35 Reserved			
36 Value Engineering			X
37 OCE Value Engineering Study Team	X		
38 Payroll-Other Fed Approp & Agencies			X
39 Division Office (Military)		X	
40 Shop and Yards Operations	X		
41 Laboratories	X		
42 Garage Expense	X		
43 Reproduction & Printing Operations	X		
44 Division Office (Civil)		X	
45 Training of Company Grade Officers		X	
46 Depreciation Use Free Permit		X	
47 Government Contributions		X	
48 Survey Parties Operations	X		
49 Core Drill Parties Operations	X		
50 Data Processing Center	X		
51 Communications Center	X		
52 Marine Design Center	X		
53 Reserved			
54 Military Construction S&A Clearing			X
55 Centralized Division Support Center	X		
56 Central Payroll Office	X		
57 Cement Testing	X		
58 Job-Site Labor		X	
59 Other Facilities Services	X		

Illustration 7-2

*

7-74c

(2) Betterment Orders. These orders relate to work performed in connection with additions and betterments to existing shops, yards, laboratories, etc. To such orders will be charged all the direct labor employed in their execution, all of the material used thereon, tool charges when applicable, and a prorated amount of both departmental shop expense and general shop overhead. Such completed orders will be charged as "Additions and Betterments" in the appropriate asset account through the accounts for Plant Acquisition in Progress.

(3) Repair Orders. These orders relate to all repair and maintenance work done for shops, yards, laboratories, etc. To such orders will be charged all the labor and material expended thereon and tool charges when applicable. Repair orders will not bear any portion of departmental shop expense or of general shop overhead, as the repairs in themselves constitute a portion of such expense. Ordinary wear and tear of shop machinery and buildings is largely compensated for by current repairs. Such repair charges, when just sufficient for the maintenance of the plant and buildings, should be charged currently as maintenance expenses. Repairs and alterations to equipment and buildings, when sufficiently large to increase the value of the buildings or equipment, or which are such as will increase their economic life, will be treated as "Additions and Betterments" and charged to the appropriate asset account through the accounts for Plant Acquisition in Progress.

c.1.433.- Freedom of Information Act. The following accounting procedures will be followed to provide data on costs to administer the Freedom of Information Act (FOIA). Actual labor, reproduction, transportation and any other costs will be costed to this account. The 433 account will be subdivided as follows:

(1) District Operations.

(a) 433.1 Minor Requests. When the estimated fee is less than \$30.00 no charge to the requestor will be made. Costs of processing requests under \$30.00 will be charged to this account and joint cost credited to the 460.20 account at least quarterly.

(b) 433.2 Assured Payment Requests. A separate subaccount will be established for each request when the requestor specifically states he will pay actual costs of processing the request and the estimated fee is more than \$30.00. Actual costs will be charged to this subaccount. When the information is ready to be furnished the requestor, the action office will compute the amount to be assessed in accordance with the Schedule of Fees in AR 340-17. The amount assessed will be transferred to the 481.3 account for billing to the requestor. The balance (debit or credit) will be joint cost credited to the 460.20 account.

*

7-74d

7-22

(c) 433.3 Advance Payment Requests. Unless the requestor specifically states that he will pay whatever costs are involved in processing the request, the action office will estimate the amount to be assessed in accordance with the Schedule of Fees in AR 340-17. Collection must be made in advance and will be credited to account 491.4, Advances for Services and Commodities. Costs incurred will be charged to the 433.3 account. When the information is ready to be furnished the requestor, the action office will compute the actual amount assessed and advise the F&A Officer.

1 If the amount assessed is less than the advance payment, the difference will be refunded to the requestor. The following entries should be made:

a Amount assessed will be credited to account 433.3 to reflect the sale and charged to the 481.3 account.

b Credit the 481.3 account and apply the amount assessed by charging the 491.4 account.

c Process an accrued expenditure entry for the balance in the advance account by charging 491.4 to clear the account. Liquidate the accrued expenditures and disburse amount due to the requestor.

2 If the amount assessed is greater than the advance payment, the requestor will be billed for the difference. The following entries should be made.

a The entries for the amount assessed will be the same as (a)1 and 2 above except in 2 the entry amount will be the same as the advance payment which will clear the 491.4 account.

b The difference will be billed to the requestor out of the 481.3 account.

3 The debit or credit balance in the 433.3 account will be joint cost credited to the 460.20 account at least quarterly.

(2) Division Operations. The following accounts will be used for Division operations.

- 433.4 Minor Requests
- 433.5 Assured Payment Requests
- 433.6 Advance Payment Requests

Procedures are the same as for the 433.1 thru 433.3 accounts except balances will be joint cost credited to the 439.20 or 444.20 account instead of the 460.20 account.

c.2. 434.- GSA Rental, FTS, and Hydrologic Program Clearing. This account will be administered by ORD Finance Center and the Fort Worth and Portland Districts. It will reflect collections from districts and payments made to other agencies.

c.3. 435.- (Reserved)

c.4. 436.- Value Engineering Costs. This account will be charged initially with all value engineering (VE) costs. Value engineering includes costs of redesign resulting from value engineering effort. Separate subdivisions of this account will be maintained for Civil Works and Military VE costs. Value engineering costs incurred prior to award of construction contracts will be accumulated by Military projects or Civil Work project feature. ENG Form 3013 (Work Order/Completion Report) requested by VE officer and approved by the Commander will be used to authorize each VE Study prior to the start of the study. For those projects on which VE savings are realized, VE costs will be charged to the project upon award of the construction contract, or when award is reasonably certain. VE costs which result in no savings to projects, or on projects for which the construction contract is not awarded, will be identified as non-productive. Non-productive VE costs will be distributed to the next projects awarded on which VE savings were realized. VE effort on projects of one Military Department or independent agency (Army, Air Force, NASA, Interior, AEC, etc.) will not be charged to projects of another Military Department or independent agency. Costs of value engineering incurred subsequent to award of construction contract will be initially charged to this account to develop gross costs but will be immediately charged out to appropriate projects.

* c.5 437.- OCE Value Engineering Study Team (OVEST). This account will be used by the Savannah District as the OVEST Facility Account. This account will be used to record all operating costs (including distribution of mobilization costs) and income of OVEST operations.

(1) For each study approved by the HQUSACE, Value Engineering Officer (DAEN-ECR-V) to be performed by OVEST, the FOA requesting the study will submit a DA Form 2544 citing their Revolving Fund VW36 Value Engineering account to the Value Engineering Study Team. After the DA Form 2544 is accepted, an ENG Form 3013 for the study will be prepared by OVEST. The original DA Form 2544 will be returned to the requesting FOA. Also, OVEST will prepare a fiscal year ENG Form 3013 covering estimated costs which cannot be identified to specific studies. *

7-74f (next page is 7-75)

- * (2) The Savannah District will accumulate all operating costs of OVEST, including distribution of Savannah District overhead, by work order. Those OVEST costs which cannot be identified to any specific study will be distributed at least monthly to the specific studies work orders.

(3) The Savannah District will bill each FOA monthly by work order. After the study is completed OVEST will advise the Savannah District F&A Officer so that month's bill may be marked "Final." ENG Form 3013 Completion Report will be prepared by the Savannah District and furnished to OVEST.

(4) Costs billed by the Savannah District for OVEST will be charged by the requesting FOA to their VW36 Value Engineering account. *

c.6 438.- Payroll - Other Federal Appropriations and Agencies. This account (for use by Omaha District only) will be charged with pay of personnel from serviced offices not operating under the Revolving Fund. Serviced offices not operating under the Revolving Fund will furnish appropriate funds availability as prescribed in Chapter 11, ER 37-2-10. The account will be credited for sales when billed by SF 1080 or when advances are applied.

c.7. 440.- Shops and Yards Operation. When more than one shop activity is maintained at one installation, a single cost control account (440.-) "Shops and Yards Operation - (name of installation)," will be maintained to control all shop operation field accounts which are maintained at the installation. This account will function as a cost control account to which will be charged all operating expenses of the installation. The account will be credited with the value of all completed shop job orders performed in the shops and yards.

d. Facilities Operations. Where facilities (other than shops and yards) are operated within the Shop and Facility Department, a separate cost control account will be maintained in the District Office for each facility. This account will function, with respect to the particular facility, in the same manner as provided for under "Shops and Yards Operation," (subparagraph c.7., above. These accounts are described in more detail in paragraph 7-13c.

* e. Subsidiary Shop and Facility Operating Accounts. Certain field accounts will be maintained locally in the shop and facility administrative office to provide for recording transactions in detail pending their distribution to other accounts, as follows:

Shop Work in Progress (orders for work) accounts

Power Account

Deferred Accounts

Shop and Facility Expense Accounts

General Shop Overhead Accounts -

Superintendence

General Upkeep and Care

It will be noted the field accounts to be maintained in the shop and facility administrative office are purely job order and local operating accounts which are controlled in the District office through cost control accounts in the 430 - 459 series.

c.6 438.- Payroll - Other Federal Appropriations and Agencies. This account (for use by Omaha District only) will be charged with pay of personnel from serviced offices not operating under the Revolving Fund. Serviced offices not operating under the Revolving Fund will furnish appropriate funds availability as prescribed in Chapter 11, ER 37-2-10. The account will be credited for sales when billed by SF 1080 or when advances are applied.

c.7. 440.- Shops and Yards Operation. When more than one shop activity is maintained at one installation, a single cost control account (440.-) "Shops and Yards Operation - (name of installation)," will be maintained to control all shop operation field accounts which are maintained at the installation. This account will function as a cost control account to which will be charged all operating expenses of the installation. The account will be credited with the value of all completed shop job orders performed in the shops and yards.

d. Facilities Operations. Where facilities (other than shops and yards) are operated within the Shop and Facility Department, a separate cost control account will be maintained in the District Office for each facility. This account will function, with respect to the particular facility, in the same manner as provided for under "Shops and Yards Operation," (subparagraph c.7., above. These accounts are described in more detail in paragraph 7-13c.

* e. Subsidiary Shop and Facility Operating Accounts. Certain field accounts will be maintained locally in the shop and facility administrative office to provide for recording transactions in detail pending their distribution to other accounts, as follows:

Shop Work in Progress (orders for work) accounts

Power Account

Deferred Accounts

Shop and Facility Expense Accounts

General Shop Overhead Accounts -

Superintendence

General Upkeep and Care

It will be noted the field accounts to be maintained in the shop and facility administrative office are purely job order and local operating accounts which are controlled in the District office through cost control accounts in the 430 - 459 series.

c.6 438.- Payroll - Other Federal Appropriations and Agencies. This account (for use by Omaha District only) will be charged with pay of personnel from serviced offices not operating under the Revolving Fund. Serviced offices not operating under the Revolving Fund will furnish appropriate funds availability as prescribed in Chapter 11, ER 37-2-10. The account will be credited for sales when billed by SF 1080 or when advances are applied.

c.7. 440.- Shops and Yards Operation. When more than one shop activity is maintained at one installation, a single cost control account (440.-) "Shops and Yards Operation - (name of installation)," will be maintained to control all shop operation field accounts which are maintained at the installation. This account will function as a cost control account to which will be charged all operating expenses of the installation. The account will be credited with the value of all completed shop job orders performed in the shops and yards.

d. Facilities Operations. Where facilities (other than shops and yards) are operated within the Shop and Facility Department, a separate cost control account will be maintained in the District Office for each facility. This account will function, with respect to the particular facility, in the same manner as provided for under "Shops and Yards Operation," (subparagraph c.7., above. These accounts are described in more detail in paragraph 7-13c.

* e. Subsidiary Shop and Facility Operating Accounts. Certain field accounts will be maintained locally in the shop and facility administrative office to provide for recording transactions in detail pending their distribution to other accounts, as follows:

Shop Work in Progress (orders for work) accounts

Power Account

Deferred Accounts

Shop and Facility Expense Accounts

General Shop Overhead Accounts -

Superintendence

General Upkeep and Care

It will be noted the field accounts to be maintained in the shop and facility administrative office are purely job order and local operating accounts which are controlled in the District office through cost control accounts in the 430 - 459 series.

(1) Shop Work in Progress Accounts. These accounts are used to accumulate the costs of shop and yard orders, tests, etc., and are charged with the costs described in subparagraph 'b' preceding. The cost of all such work will be transferred and billed periodically as provided herein and the amount of such transfers and billings will be credited to "Shop Work in Progress" accounts. In the district office the amounts of work or betterment orders cleared from the "Shop work in Progress" accounts are credited to the "Shops and Yards Operation" account and charged to the appropriate accounts of the activities or other offices for which the work was done. At the end of each accounting period for which reports on the Revolving Fund are submitted to the Chief of Engineers, the "Shop Work in Progress" accounts will be completely closed by transfer of costs to other appropriate Revolving Fund accounts and by billings to others, as applicable, prior to closing of cost accounts as of the end of the month. At the end of other months, costs in the "Shop Work in Progress" accounts will be transferred and billed to the greatest extent practicable. When circumstances indicate the necessity or desirability therefor, the cost of completed portions of shop work orders should be transferred and billed more frequently than monthly. Work chargeable to other than the districts civil works projects, will be held in the Work in Progress accounts (GL 317) for billing during the subsequent month. In cases where amounts are minor and otherwise proper, billing to others may be deferred until the completion of a shop work order.

(2) Power Account. This field account will be used for recording all costs incurred with the production or purchase of power. It will be credited at the end of each month as follows:

(a) With the aggregate estimated charges for power consumed by the various activities of the Revolving Fund and other consumers.

(b) With the aggregate monthly amount of tool power charges made to shop orders.

This account should be analyzed at frequent intervals to insure prompt clearance of balances, as it is not desirable to carry undistributed balances indefinitely.

(3) Tool Charges. When large tools, such as lathes, hammers, and grinders are used in the prosecution of work, a rate per hour of use will be charged to cover the cost of power consumed by such tools or machines. The rate per hour to be established will be a predetermined estimate of the power consumed by each tool or machine. However, this machine rate will not include depreciation of the tool or machine. Each mechanic will be required to show on his daily time report, Form No. 1 (Costs), the name or number of the tool or machine and the number of hours the machine was in use on each job order. Tool charges for the month will be computed, charged to the proper accounts, and credited to the "Power" account.

1 Apr 69

(4) Deferred Accounts. When repairs or alterations of a major character are made to shop facilities and are not classified as "Additions and Betterments," the cost of same becomes a charge against current operations. In the event that such repair charges or other operating expenses would distort the current month's operating expenses, they should be charged to a deferred field account and distributed to appropriate operating accounts in subsequent months.

(5) Shop and Facility Expense Accounts. Shop and Facility Expense accounts will be classified as follows:

(a) Shop and Facility Expense Account. This account will be used to assemble the cost of operation of the various shops other than docks and marine ways, which cannot be equitably charged direct to appropriate orders of work, such as depreciation of shops, buildings and equipment; time of shop foremen and others which is not chargeable to specific orders of work; and miscellaneous operating supplies such as sandpaper, glue, grease, wiping rags, etc., not issued to jobs in readily measurable quantities. In large shops a subdivision of this account may be desirable. In such cases, distribution of shop expense will be confined to work performed in each department, and the total shop expense for each department will be charged to the job orders on the basis of the percentage which the total direct labor expended by a specific shop for each job bears to the total direct labor furnished by that shop for all jobs. The following optional method of clearing such shop and facility indirect charges is authorized: A predetermined percentage based upon the budgeted relationship of total overall shop or facility expenses to direct labor charges to job orders may be utilized, with the understanding that this "flat" rate is to be reviewed for sufficiency at frequent intervals to the end that the expenses will be cleared in total by the end of each fiscal year. This optional procedure is permissible for use in connection with any of the shop and facility operating accounts hereafter listed.

(b) Operation of Docks and Marine Ways Account. This account will be used to assemble costs of operation of docks and marine ways which cannot be equitably charged direct to appropriate orders of work, such as depreciation of docks and ways, the cost of power consumed in operating same, and the upkeep and maintenance of docks and ways, including dredging. Distribution of costs accumulated in this account will be effected on the basis of dockage charges, which should be assessed against every unit of plant benefited by the use of dry dock and marine ways and determined in the following manner:

- 1 Annual depreciation
- 2 Estimated Cost of power consumed per annum
- 3 Annual estimated cost of upkeep and maintenance

4 Total of 1, 2 and 3 above

5 Estimated number of dockage days per annum

6 4 divided by 5 equals estimated charge for dockage per day, or, in the case of marine ways, 4 divided by estimated aggregate number of cradle days per annum equals the rate per cradle per day. The aggregate dockage charges will be computed for the month, charged to the proper shop job order accounts, and credited to "Operation of Docks and Marine Ways."

(6) General Shop Overhead Accounts. General shop overhead accounts will be classified and distributed as follows:

(a) Superintendence account. This account will cover the cost of general superintendence, clerical force, etc., and will include all expenses in connection with the following:

1 Salaries of superintendents, engineers, clerks, etc., not directly chargeable to specific work or betterment orders.

2 Travel expenses of employees above mentioned

3 Office supplies and expenses

(b) General Upkeep and Care of Yards Account. This account will include the costs of labor and materials necessary in maintaining and keeping the yards in good general repair, the pay and expenses of watchmen, the cost of labor and materials expended in connection with the protection of government property.

(c) The total expenses for each of the above-named general shop overhead accounts for the month will be charged to work or betterment orders on the basis of direct labor costs, or in accordance with the optional procedure described in paragraph 7-22e.

(7) Shops Stock Accounts. A shop stock account should be established when the shops or yards are so located that the availability of a small but adequate stock of items constantly used in normal operations will substantially reduce the costs incurred in drawing separately from the general district stock account the items required for orders for work. It may also be necessary to maintain a separate shops stock when work is performed at times when the general district warehouse is not open for business. Stock record cards and requisitions will be utilized, and general district procedure for stock accounting will be observed to the extent applicable, as outlined in paragraph 7-21 of this chapter. However, additional simplifications in the procedure may be practicable. The most practicable and economical procedure should be adopted. Materials issued from the district warehouse and taken into shops stock will be charged to the "Shops and Yards Operations"

account in the district office. Issues of shops stock will be credited to the "Shops Stock" account and charged to appropriate shops and yards orders and accounts.

f. 441.- Laboratories Operation. (1) General. This cost control account will be charged with all operating expenses applicable thereto and credited with costs of completed tests and job charges to projects and other customers (sales) and to other Revolving Fund Accounts (joint cost credits) at standard rates or on an actual cost basis. The account will be maintained on Form 17A (Costs) so as to disclose an analysis of direct and indirect expenses as shown in subparagraph (6) below. When more than one laboratory is operated subdivisions of this account should be maintained for each laboratory.

(2) Actual Costs Basis for Work Performed. When work done is charged out on an actual cost basis, direct expenses (labor, materials and supplies and all other expenses directly applicable to the specific jobs or tests underway) will be charged to applicable work order or similar accounts maintained to accumulate costs of specific jobs.

(3) Standard Rates for Work Performed. When standard (pre-determined) rates (including both direct and indirect expenses) are used for making charges for laboratory work, the costs will be charged to work order or similar accounts maintained to reflect direct and applied indirect expenses and the income realized. The income realized will be compared monthly with costs incurred and the rates revised as necessary, to preclude significant over or under distributed balances in laboratory operation accounts at the end of the fiscal year.

(4) Indirect Expense Accounts. Indirect expenses (labor, materials, and supplies and all other costs incurred for a laboratory but not directly applicable to specific jobs and tests underway) will be accumulated in indirect expense (clearing) accounts and absorbed in applicable work order or similar accounts. These accounts will be maintained at the minimum level necessary for analysis and cost distribution. These indirect expenses include administrative and supervisory labor, general supplies and other expense, depreciation and routine maintenance of structures and equipment, insurance premiums, utilities (when identified as applicable to laboratories) and a proportionate amount of any applicable deferred expenses. Normally indirect expenses will be distributed to work order accounts on a direct labor basis. The rate of distributing indirect expense should be revised as necessary to preclude significant over or under distributed balances in laboratory operation accounts at the end of the fiscal year.

(5) Deferred Expenses. Certain expenses, such as major overhaul and repair are properly chargeable, at least in part, to future accounting periods. Such expenses applicable to future periods will be initially accumulated in deferred and undistributed accounts (483.-series) and distributed to indirect expenses in accordance with a pre-determined schedule.

(6) Account 441.- will be maintained on Form 17A in a manner to readily disclose direct and indirect expenses incurred and the income realized. Money columns will be maintained as follows:

1st Ledger Sheet
Direct Expenses

- (1) Labor (GL 415)
- (2) Materials and Supplies (GL 415)
- (3) Other Direct Expenses (GL 415)

Indirect Expenses

- (4) Repairs (GL 415)
- (5) Depreciation (GL 415)
- (6) Labor (GL 415)
- (7) Other Indirect Expenses (GL 415)
- (8) Total

2nd Ledger Sheet

- (1) Results from Prior Year Operations (GL 337)
- (6) Joint Cost Credits (GL 415)
- (7) Sales (GL 401)
- (8) Total

g. 442.-Garage Expense Accounts. The same pattern of field expense and operating accounts will be utilized for field account keeping for garages as provided for shops, where applicable. Balances of these accounts will agree with the appropriate cost control. account. Charges from these accounts, applicable to vehicle operation and maintenance, will be analyzed and applied in accordance with columnar arrangement for vehicle operation accounts (Para. 7-17k).

h. 443.-Reproduction and Printing Operation. (1) The accumulation of expenses and income of operating reproduction and printing plants will be maintained in a manner to facilitate preparing ENG Form 3022 (Chapter 22, this manual), and DA Form 228 (ER 310-1-100). These accounts will be charged with (1) labor at effective time rates;

(2) materials and supplies consumed; (3) repairs made to operating equipment of the plant; (4) depreciation of operating equipment; (5) insurance and miscellaneous expenses; and (6) depreciation of Government-owned structures occupied solely by the facility or proportionate share of structures occupied jointly with shops or other facilities. The accounts will be credited with applicable joint cost credits and sales. Charge slips will be scheduled on ENG Form 2 (Costs) or otherwise summarized monthly by military construction project line item or miscellaneous military activity accounts and by applicable civil works and other accounts. Where the total charges for a month to a specific account are less than \$5, such amounts will be charged to account 460.20, General Administration Services - Miscellaneous Expenses. Charges to individual line items of a military construction project of less than \$5.00 which aggregate \$5.00 or more for the month will be charged to the appropriate project distributive account.

(2) The accounts will be maintained on three ENG Forms 17A (Costs), with money columnar headings as follows:

First Sheet - Column (1) Direct Labor - Printing and Duplicating (GL 415)
Column (2) Direct Labor - Photo-reproduction (GL 415)
Column (3) Indirect Labor - Printing and Duplicating (GL 415)
Column (4) Indirect Labor - Photo-reproduction (GL 415)
Column (5) Other Labor (GL 415)
Column (6) Equipment Rental - Printing and Duplicating (GL 415)
Column (7) Equipment Rental - Photo-reproduction (GL 415)
Column (8) Total Labor and Equipment Rental

Second Sheet - Column (1) Materials - Printing and Duplicating (GL 415)
Column (2) Materials - Photo-reproduction (GL 415)
Column (3) Other Materials (GL 415)
Column (4) Repairs (includes contract labor) - Printing and Duplicating (GL 415)
Column (5) Repairs (includes contract labor) - Photo-reproduction (GL 415)
Column (6) Repairs - Other (GL 415)
Column (7) Depreciation, Insurance and Miscellaneous Expenses (GL 415)
Column (8) Total Expenses (other than labor and equipment rental)

Third Sheet - Column (1) Results from Prior Year Operations (GL 337)
Column (6) Joint Cost Credits (GL 415)
Column (7) Sales (GL 401)
Column (8) Total (Dr or Cr)

(3) The cost of materials received by the facility by direct purchase or by issue from warehouse stock accounts will be charged at cost, or issue price exclusive of warehouse burden, to columns (1) through (3), (Second Sheet) as applicable. Warehouse burden on materials and repair parts will be charged to columns (3) and (6), (Second Sheet), as appropriate.

*

ate. At the end of each month, the estimated value of unconsumed materials and supplies will be determined and entered as credits in the applicable columns (GL 415) and charged to the plant inventory account (GL 315.2). At the beginning of the following month this entry will be reversed. While the district office cost control account 443.-, as described herein is the maximum prescribed by the Chief of Engineers, where the volume of transactions warrants, subsidiary accounts as provided for shops and yards may be utilized to the extent deemed necessary.

i. 439.- and 444.- Division Office Military Functions and EIG Field Office Expenses, and Division Office Civil Functions Expense Accounts. These accounts will include total expenses incurred in the performance of the respective activities of the Division Office and EIG Field Office, and will be maintained by the district office which performs accounting services for these offices. The account number suffixes, titles and definitions of accounts listed for district office organizational costs under account 460.- will also be used for these accounts. A subdivision of account 439.10 will be maintained for applicable labor and travel costs of the Engineer Inspector General Field Office. Credits for direct charges (sales or joint cost credits) will be made to individual subaccounts.

Subaccount 439.30 will be credited with sales covering month-end net balances in all 439.- subaccounts chargeable to O&MA; subaccount 444.30 will be credited with sales covering month-end net balances in all 444.- subaccounts chargeable to account 760, ED&M, Division Office. Labor costs of Division Office "Technical" civil functions employees will be charged ultimately to specific projects or activities whenever practicable, subject to the limitations that time will be charged only to features of work for which the primary responsibility is assumed by the Division Office. As an illustration, if an item of civil works construction is designed in the Division Office, direct costs incurred in connection therewith are chargeable directly to the feature for the job; if the design work is performed by the district, no direct charges of the Division Office will be made thereto. The portion of Division Offices (except New England) GSA space costs applicable to Civil ED&M activities will be costed through Revolving Fund Cost Account 444.20, to the General Expenses appropriation. GSA space costs allocated to the General Expenses appropriation should be proportional to the ratio of Civil ED&M positions to total Division positions unless a special justification for deviation is approved by HQDA (DAEN-CWB) WASH DC 20314. For example, where the Division Commander is engaged in project-related, direct charge activities such as Hydro Electric Design Branch, a proper portion of the Division office space costs should be allocated to, and become part of the direct charges to projects.

* At the Division Commander option, account 444 may be used for both Military and Civil Division functions rather than two separate accounts. *

* j. 445.- Training of Company Grade Officers.

Under the provision of 33 USC 583a, military officers who are employed primarily on duty connected with non-military public works are paid from and costed to Civil appropriations. All other military personnel are paid from the MPA appropriation and costed in the military account as unfunded military personnel services. To provide equitable accounting and flexibility in assignment of company grade officers, all company grade officers will be considered as assigned to training. Those company grade officers assigned to Civil TDAs will be paid from the Revolving Fund and costed to account "445, Training of Company Grade Officers." Costs in this account are reimbursed from the military or civil project, military S&A, area offices, or technical division indirect account where the officer is assigned for training. Travel and other costs of training are to be charged direct to the assigned civil, military or other Revolving Fund account and not to the 445 account. Labor costs of company grade officers assigned to a military TDA are recorded as an unfunded cost to the military project, civil project, or Revolving Fund account where the officer is assigned for training.

*

k. 447.- Government Contributions (personnel benefits).

(1) Labor Computed at Effective Time Rates.

(a) Account 447.- will be charged with Government contributions to Civil Service Retirement Fund, Federal Insurance Contributions Act, Employees' Life Insurance Fund, and Federal Employees Health Benefits Act applicable to the pay of employees whose labor costs are computed at effective time rates. Cost accounting and distribution of these expenses will be accomplished in the following manner:

1 Columnar arrangement of the account, to be maintained on ENG Form 17A, will be as follows:

Column (1) Total charge for:
Civil Service Retirement Fund (CSR)
Federal Insurance Contributions Act (FICA)
Employees' Life Insurance Fund (ELIF)
Federal Employees Health Benefits Act (EHBf)
(DR) (GL 415)

Column (6) Joint Cost Credits (GL 415)
Column (7) Sales (GL 401)
Column (8) Balance (GL 337)

2 At the beginning of each fiscal year a percentage factor will be established by dividing the sum of the fiscal year estimates for CSR, FICA, ELIF, and EHBf by the estimated amount of the fiscal year personnel compensation. This percentage factor will be applied to all labor charges which are computed in accordance with paragraph 6-11c. The totals of the amounts thus applied will be credited to column 5, 6, or 7, as applicable, and will be charged, in the labor column to the feature or other account to which the basic labor charge is made.

(2) Labor costs computed at actual earnings rate.

(a) Government contributions for CSR, FICA, ELIF, and EHBf applicable to employees whose time is not charged at effective rates will not be included in account 447. Since labor costs for these employees are determined at actual salary rates (para 6-11b(1)), the government contributions will be prorated, each payroll period, to the accounts to which personal services are charged, in the same ratio which the personal services charged to a single account bear to the total personal services charged to all such accounts.

* (b) Unless otherwise provided, all amounts for labor reported in cost reports will include the Government contributions for CSR, FICA, ELIF and EHBf. *

k.1 450.- Data Processing Center.

(1) This account will be debited with all direct and indirect expenses applicable to operation of data processing centers and will be credited with costs of services rendered to projects and other customers (sales) and to other Revolving Fund activities of the district (joint cost credits). Charges will be made directly to the Revolving Fund 450 account and then to the benefiting appropriation or activity account

ER 37-2-10
Change 29
30 May 75

* whenever specific identification can be determined, i.e., labor cost of programmers, systems analyst, etc. Whenever specific identification cannot be accomplished, cost per hour or computer resource unit rates will be developed locally to serve as a basis for the distribution of such costs as ADP supplies, ADP maintenance, ADP equipment rental, ADP management costs, etc., to the benefiting account.

(2) Districts under COEMIS will use the following cost structure. Those on manual system will use 450 instead of VW 50 and N's will not be applicable.

VW 50 NNNN		<u>Data Processing Center</u>
200		<u>Operating Costs - In-house</u>
2*1		Civilian Salaries
2*2		Military Personnel Salaries
2*3		Computer Rentals
2*4		Punch Card Machine Rentals
2*5		Magnetic Tape and Disk Packs
2*6		Parts for In-house Maintenance of Purchased ADPE
2*7		Telecommunications
2*8		Supplies
2*9		Other Expense (reproduction, telephone, insurance, depreciation, plant replacement increment, travel, courier service)
300		<u>Operating Costs - Contractual Services</u>
3*1		ADPE Time & Related Services
3*2		Systems Analysis/Design & Programming Services
3*3		ADPE Maintenance (Repairs)
3*4		Keypunching/Verifying Services
3*5		Other Expense
400		<u>Operating Costs - Reimbursable Services</u>
		<u>From Other DPI</u>
4*1		ADPE Time & Related Services
4*2		Systems Analysis/Design & Programming Services
4*3		Keypunching/Verifying Services
4*4		Other Expense
500		<u>Reimbursable Services Provided to Other DPI's</u>
5*1		ADPE Time & Related Services
5*2		Systems Analysis/Design & Programming Services
5*3		Keypunching/Verifying Services
5*4		Other Expense
900		<u>Results from Operations</u>
	NNNN	

- * (3) Standard customer rates will be the basis of billing indirect costs. The rates will be developed in five steps as follows:

(a) Step 1. Prepare an analysis of estimated ADP expenses. In-house, contractual and capital-type operating costs will be classified as being either direct or indirect operating costs. Direct operating costs will also be identified directly to the type ADP service to which the costs pertain. Sample analysis is shown in Figure 7-1.

TYPE	OPERATING PERSONNEL		ALLOC BASIS
	DIRECT	INDIRECT	
Supervisory-Administrative		X	DLH
System Analysts/Designers	X		
Computer Programmers	X		
ADPE Operators		X	DLH
In-house Maintenance Personnel		X	MOH/CRU
Clerical		X	DLH

	IN-HOUSE OPERATING COSTS						ALLOC BASIS
	DIRECT OPERATING			INDIRECT OPERATING			
	LABOR	MATERIALS	OTHER	LABOR	MATERIALS	OTHER	
Computer Rental						X	MOH/CRU
PCM Rental						X	MOH/CRU
Off-line Equip Rental						X	MOH/CRU
In-house Maint Parts					X		MOH/CRU
Supplies		X*			X		DLH
Training & TDY						X	DLH
Depreciation						X	MOH/CRU
Insurance						X	MOH/CRU
Plant Replacement Increment						X	MOH/CRU

	CONTRACTUAL SERVICES OPERATING COSTS (GOVT & NON-GOVT)							ALLOC BASIS
	DIRECT OPERATING			INDIRECT OPERATING				
	<u>LABOR</u>	<u>MATERIALS</u>	<u>OTHER</u>	<u>LABOR</u>	<u>MATERIALS</u>	<u>OTHER</u>		
ADPE Time & Related Services			X					
System Analysis/Design & Programming Service			X					
ADPE Maintenance Services							X	MOH/CRU
Other Contractual Services							X	MOH/CRU

- * - As applicable (e.g., special disk packs or forms)
DLH - Direct Labor Hours
MOH - Machine Operating Hours - Dist
CRU - Computer Resource Unit - Div

*

	TOTAL OPERATING COSTS		BASIS of ALLOC	DPI SUPERVISION		SYSTEMS MAINT		EDC SERVICE		PCM SERVICE		P/A EQUIP SERVICE	
	DIRECT	INDIRECT		DLH	COST	DLH	COST	DLH	COST	DLH	COST	DLH	COST
In-House Operating Costs													
Direct Operating:													
Systems Analysts/Designers	\$ 9,100					1500	\$ 9,100						
Computer Programmers	8,000					600	8,000						
ADPE Operators		\$ 18,050						3500	\$ 14,000	1050	\$ 3,000	350	\$ 1,050
Indirect Operating:													
Supervisory and Administrative		7,000	DLH(1)		700		1,400		3,500		1,050		350
Clerical		700	DLH(1)		70		140		350		105		35
In-House Maint Personnel		3,000	MOH/CRU(2)						2,000		800		200
In-House Maint Parts		5,000	MOH/CRU(2)						2,500		2,000		500
Supplies, etc.		3,000	DLH(1)		300		600		1,500		450		150
Computer Rental		20,000	MOH/CRU(2)						10,000		8,000		2,000
PCM Rental		2,000	MOH/CRU(2)						1,000		800		200
Off-Line Equip Rental		1,000	MOH/CRU(2)						500		400		100
Training & TDY		1,000	DLH(1)		100		200		500		150		50
Other Indirect In-House		500	DLH(1)		50		100		250		75		25
Contractual Services Operating Costs													
Direct Operating:													
ADPE & Related Services	4,300						300		4,000				
Systems Analysis/Design & Computer Programming	8,000						8,000						
Indirect Operating:													
ADPE Maintenance Services		3,000	MOH/CRU(2)						1,500		1,200		300
Other Contractual Services		500	MOH/CRU(2)						250		200		50
Indirect Operating:													
Depreciation		100,000	MOH/CRU(2)						50,000		40,000		10,000
Insurance		15,000	MOH/CRU(2)						7,500		6,000		1,500
Plant Replacement Increment		100,000	MOH/CRU(2)						65,000		25,000		10,000
Total Direct Cost	\$29,400						\$25,400		\$ 4,000		-		-
Total Indirect Cost		\$279,750			1220		2,440		\$160,350		89,230		26,510
Total Cost	\$29,400	\$279,750			1220		\$27,840		\$164,350		89,230		26,510
Total Direct Labor Hours (DLH) (7000)						2100		3500		1050		350	
Total Machine Operating (MOH/CRU) (5000)								2500		2000		500	
(1) Indirect Operating Costs Allocated on Basis of DLH						30%		50%		15%		5%	
(2) Indirect Operating Costs Allocated on Basis of MOH/CRU								50%		40%		10%	

Figure 7-1. Sample Analysis

*

* (b) Step 2. Identify and tabulate by type, the applicable number of: direct labor hours (DLH), computer resource units, and/or machine operating hours (MOH) consumed by each ADP service category and group. Utilizing the compiled data, develop the applicable distribution rates - by type - for each ADP category and category group.

(c) Step 3. On the basis of the rates established in Step 2, distribute each type ADP indirect operating expense to each ADP service category and category group.

(d) Step 4. Develop standard customer rates by dividing the total indirect cost of each ADP service category and separate service group by either the total number of direct labor hours, computer resource units and/or machine operating hours incurred for system maintenance of the applicable ADP service category. For example, if the total indirect cost of the EDC service is \$160,350 and the total number of direct labor hours consumed by the service is 3500, the standard customer rate for such service is $\$160,350 \div 3500$ or \$45.81 per hour. Similarly, if the total indirect cost of the EDC service is \$160,350 and the total number of computer resource units and/or machine operating hours is 2500, the standard customer rate would be \$64.14.

(e) Step 5. Determine the additive to the standard customer rate for DPI supervision. This is accomplished by the apportionment of an equitable share of the DPI supervision costs.

(4) ADP development costs may be deferred and distributed monthly to benefiting appropriations or activities.

(a) ADP development costs will be comprised of ADP costs associated with approved or directed projects relative to the development of new automated data processing systems. Included will be costs related to determination of information requirements, systems analysis and design, computer programming, procedures development, ADP equipment time for testing and debugging, user and operator manual development, training, field assistance, on-site reviews, initial system conversion equipment, and site preparation in support of the development project. Development ceases with the successful approval and acceptance of a system by appropriate agency and authority is granted to proliferate the system.

(b) ADP costs resulting from changes to an existing ADP system, computer configuration, or improvements to procedures applicable to existing systems, will be classified as operational costs rather than as development costs.

(c) Development of significant programs (e.g., GFSR requiring three man-years or more of effort), within an approved or directed system, may be considered part of the development cost.

1. 454.- Military Construction S&A Clearing. This account (for use by Baltimore District, only) will be debited (GL 415) with amounts transferred from other districts representing S&A costs incurred in excess of amount recovered through use of the Corps-wide rate. It will be credited (GL 401.1 or 401.3) with such amounts which are in excess of S&A costs incurred. Also, the monthly net debit or credit balance in Baltimore District accounts 465.802- thru 465.806 will be transferred to account 454, contra account 465.807.

1.1 455.- Centralized Division Support Center. This account will be debited with the direct labor, travel, material and supplies, depreciation, computer services, facility repairs and maintenance, etc., and indirect expenses applicable to the Center. The accounts will be maintained at a functional level to identify the services performed, e.g., 455.01, Finance and Accounting; 455.02, Audit; 455.03, Manpower Management, etc. Costs incurred while performing staff functions will be charged to the 439.- and/or 444.- accounts. For example, the Chief, Audit Branch will charge to the 455.02 account only when he performs specific audits for the districts, while costs incurred in performing his staff function will be charged direct to the 439.- and/or 444.- accounts. The actual costs in the 455.- account will be distributed on an equitable basis, as determined by the Division Engineer, to benefiting District (account 460.25) and Division (accounts 439.- and * 444.-) offices. Final fiscal year billings will be in September based on the estimated final costs. Any year-end balances will be applied to distributions for the following year. At the beginning of the fiscal year the Division Engineer will inform each district of its share of the estimated expenses to be billed during the fiscal year.

m. 456.- Central Payroll Office. Expenses to be charged to this account include direct labor, travel, materials and supplies, depreciation, computer service, insurance, repairs and maintenance of facilities (reference paragraph 11-2h for procedure on maintenance and distribution of this account).

n. 457.- Cement Testing.

(1) This account will be debited with direct and indirect expenses applicable to cement testing functions performed by designated laboratories, except for those expenses provided in paras 9c, d, and e of ER 1110-1-2002, and will be credited with income earned from charges to cement users. Direct and indirect expenses will be classified in this account as provided for laboratories in para 7-22f. Other direct expenses will include contract payments for cement sampling and inspection and reimbursements to districts and other agencies for costs incurred for this service. Other indirect expenses will be maintained so that amounts of the following expenses, as applicable, may be readily determined:

(a) Improvement of Testing Methods (Waterways Experiment Station costs for improving specifications, sampling and testing procedures, and technical surveillance of cement and pozzolan testing activities).

(b) Departmental expenses.

(c) Supervision and General Laboratory Administration.

(d) (Reserved.)

(e) Overhead (Waterways Experiment Station).

(2) Reimbursement for Cement Testing.

(a) Reimbursement bills for complete inspecting, sampling, and laboratory testing services, other than those services provided in paragraphs 9c, d and e of ER 1110-1-2002 will be submitted to users of cement based on inspectors' reports of number of hundredweights shipped during the month. Charges will be computed at a rate per hundredweight as set by the Director, Waterways Experiment Station.

(b) Services set forth in paragraphs 9c, d and e of ER 1110-1-2002 (i.e., retesting of cement and pozzolan at the contractor's request, testing of samples submitted by using agencies and inspection at transfer facilities), should be accounted for and billed separately from account 457.

(3) A supporting schedule will be attached to ENG Form 3021;
* "Statement of Results from Operation" DAEN-RMF-1(R2) disclosing the following data for cement testing. Estimates of next fiscal year operations will be included on statements for 30 September, only.

	CURRENT QUARTER	CURRENT FISCAL YEAR TO DATE	ESTIMATES NEXT FY
Balance, Start of FY	xxxxx	\$	\$
Direct Expenses	\$		
Indirect Expenses			
Total Expenses	\$	\$	\$
Earnings			
Balance (Dr or Cr)	\$	\$	\$
No. cwt tested and stored			
Cost per cwt (Total Expenses) (No. of cwt tested and Stored) =			
No. of cwt in Storage as of End of Reporting Period			

ER 37-2-10
Change 54
28 Feb 85

n.1. 458. - Job-site Labor. This account will be charged with only labor service (contra 493.2) and suggestion and incentive awards for project employees engaged in work at military or civil project sites not under the supervision of an area office. This account will be credited when the labor services are charged to military or civil projects, S&A (465) account, or other Revolving Fund expense, deferred, or asset account. Suggestion and incentive awards must be manually charged to the same accounts as the employee labor.

n.2. (Rescinded)

o. 459. - Other Facility Services (District assigned) Expense Accounts. The same pattern of field expense and operating accounts as provided for shops and facilities services will be utilized for field account keeping for other facilities, where applicable and as required for operating control. In other cases only a district office control account will be maintained.

* p. (Rescinded)

q. Plant Inventories. The monthly reports prepared by the shop and facility administrative office will indicate the value of unconsumed operating supplies and materials on hand. The value of such inventories

will be shown on the reports and be credited to the appropriate shop and facility cost control accounts, directly in the columns in which the items were previously charged, at the same time debiting General Ledger account 315.2, and crediting GL account 415. At the end of each month, the Plant Inventory account (315.2) will be adjusted to the shop or facility operation account (GL 415) to reflect the actual amount of inventory of materials on hand. This inventory adjustment may be accomplished by credit to applicable columns in the operation cost accounts (GL 415) and debit to GL Account 315.2 with end of month inventory. At the beginning of the following month the foregoing entries will be reversed.

r. Shop and Facility Ledger Forms. The cost control accounts for shop and facility operations will contain the following money columns:

- (1) Results from Prior Year Operations (GL 337)
- (2) Labor (GL 415)
- (3) Materials and Supplies (GL 415)
- (4) Insurance, Plant Replacement Increment, and Miscellaneous Expenses (GL 415)
- (5) Depreciation and Repairs (GL 415)
- (6) Joint Cost Credits (GL 415)
- (7) Sales (GL 401)
- (8) Balance (GL 337)

7-23 Function of District General Administrative Accounts.

a. Accounting for District Office Costs.

(1) Purpose of Maintaining Accounts.

(a) Effective economical accomplishment of the executive, advisory, administrative, and technical staff functions of the District is an essential factor in the successful operation of a District organization. The costs of performing these functions are significant, and are to be budgeted and continuously controlled to the fullest extent practicable. The district office cost accounts provide valuable management accounting information with respect to:

- 1 The cost of performing District Office functions.
- 2 Comparisons between budgeted amounts and actual costs.
- 3 The distribution of district overhead costs.

(b) These accounts are designed to provide:

- 1 The labor travel, and other costs of staff elements (gross costs).
- 2 The amount of these costs charged direct to specific items of work (direct charges).

- * 3 The amount of these costs remaining as District Office General Administrative Services expenses (district overhead) or undistributed indirect technical costs. *

4 The amount of other (miscellaneous) costs charged to District overhead.

* (2) District Office General Administrative Service Accounts, (460.-).

(a) The 460.- accounts are established on an organizational basis and will include the total expense incurred in the performance of the district office exclusive of expenses chargeable to area office, job-site or specific activities (laboratories, garage, reproduction and printing, etc.) Employees temporarily working under the supervision of another organization should be charged to the organizational activity account of the activity performing the supervision. Employees temporarily assigned (loaned) between districts or to another agency should be charged to account 459.97 instead of their normal organizational activity account. In order to obtain uniformity, the district office functional costs accounts will be charged with gross costs of the executive offices and all advisory and administrative staff branches, technical staff divisions and other forces of such offices, including Engineer Interns, except as excluded above. In addition to the costs of the principal functions assigned, costs of the following will be charged to the accounts for the organizations in which the costs are incurred: technical services to local interest; responses to other than congressional inquiries regarding probable development of a project or study; training; management and manpower surveys; programming, budgeting and scheduling; review and evaluation of management improvement projects and suggestions; training USAR Officers and foreign personnel; preparation of State Pamphlets; preparation of Annual Report of CofE; quarterly review and analysis; preparation of project maps; preparation of charts and exhibits for meetings, staff visits, etc.; drafting service to executive, advisory and administrative elements; and speeches. Direct charges from the functional accounts will be made from and will be limited to charges for the following services: *

1 Executive, Advisory and Administrative Services - Accounts 460.01 to 460.10, and 460.20.

a Administrative support functions performed for the division office, other district offices, the Engineer Inspector General Office and other agencies. Charges for such services will be made on the basis of agreement between parties concerned.

- * b GSA and Revolving Fund space costs allocated and charged to technical organizations accounts shall be distributed as technical indirect costs. Costs allocated and charged to facilities accounts become part of the rate used for sale of services. Costs allocated to Executive, Advisory, and Administrative organizations will be charged to the 460.20 account and distributed as overhead. *

c Activities for which specific funding is provided, such as for emergency activities and overseas recruitment. Direct charges for those Emergency Operations Planner executive functions involving floods, hurricanes and other natural disasters will be made in accordance with ER 11-2-320.

* d Services of Counsel in direct support of the Clean Water Act of 1977. Such services should be charged to General Regulatory Functions, see paragraph 8-5b(1). *

2 Technical Services - Accounts 460.12 to 460.19.

a.1 Personal services are charged directly when one hour or more of a technical division employee's time during a day is applicable to a specific feature or other account. (Exception: supply division employees - see b below.)

a.2 Personal services are charged indirectly when less than one hour of a technical division employee's time during a day is applicable to a specific feature or other account. Labor efforts of a general nature not applicable to a specific job or project should also be charged indirectly. This includes training (including employees attending colleges and universities full time), staff meetings, professional seminars, recruiting efforts, committee meetings, and other such activities.

a.3 Technical Division chiefs, their assistants, branch and section chiefs, are working supervisors. Consequently, the one-hour rule applies to their productive and review efforts. Their effort applied to general supervision and administration should be charged indirectly. Also, some of the effort of technical division stenographic, secretarial, and clerical personnel is indirect in nature. However, the one-hour rule is appropriate when they perform work obviously traceable to a specific end product, for example, when typing contractual documents or design engineering statements.

a.4 A technical division's indirect costs will be distributed as an add-on percentage of the division direct labor charges to projects and studies. Develop a pre-determined rate for each technical division by relating the technical division's estimated direct labor costs to its estimated indirect costs. Rates will be reviewed not less frequently than quarterly and adjusted as necessary to absorb the indirect costs during the fiscal year. Only nominal amounts may be undistributed or overdistributed at fiscal year end.

ER 37-2-10
Change 44
29 Aug 80

* b Supply Division functions will be costed according to the function being performed. Those employees engaged in procurement activities will generally be costed to overhead except when making field inspections of materials and supplies, performing central procurement or COR activities for other districts or agencies, or when the effort of procuring materials and supplies for hired labor jobs is of such significance as to constitute an identifiable charge. Employees engaged in issuing plans, specifications, invitation for bids, requests for proposals, preparing contracts and modifications will be charged direct to project accounts such as 30, 31, 634.1 or 635.3, and Revolving Fund plant acquisition accounts as applicable.

c Costs of temporary duty travel and transportation in connection with services specified in 2a and b above will be charged to the accounts to which the personal services are charged.

d Technical division indirect cost should not be applied to direct labor costs applicable to services of an employee loaned to work under direction of a borrowing office. Supervision of the work of a loaned employee is substantially accomplished by the borrowing office; therefore, billing of technical division indirect cost on loaned employee services is inappropriate. However, where services are performed for others, under direction of the employing office, indirect cost should be charged and billed.

e Program development functions are primarily related to engineering and to the practical and orderly scheduling of engineering and construction work. Costs of the Program Development Office shall be charged against projects or studies as direct or indirect costs. The Program Development Office shall not be considered an element of District Overhead regardless of organization assignment.

f Engineer interns personal services and travel costs will be charged to the technical division functional account or the resident, area or project office where he is training when costs are incurred. These costs will be included with other indirect charges and distributed to military and civil projects, studies, etc., based on direct labor charges of the office where he is training. However, direct charges will be appropriate when training at a project office having supervision over only one project. All costs of engineer interns while training with Army Facilities Engineers will be shared by the Engineering, Planning, Construction and Operations divisions in direct proportion to the direct labor costs of only those technical divisions. This may be done by charging these costs to a 459.- (VW59) account and allocating to military and civil projects, studies, etc., using indirect costing techniques tied to direct labor.

7-23a(2)(a)

7-89b (next page is 7-90)

b Supply Division functions will be costed according to the function being performed. Those employees engaged in procurement activities will generally be costed to overhead except when making field inspections of materials and supplies, performing central procurement or COR activities for other districts or agencies, or when the effort of procuring materials and supplies for hired labor jobs is of such significance as to constitute an identifiable charge. Employees engaged in issuing plans, specifications, invitation for bids, requests for proposals, preparing contracts and modifications will be charged direct to project accounts such as 30, 31, 634.1 or 635.3, and Revolving Fund plant acquisition accounts as applicable.

c Costs of temporary duty travel and transportation in connection with services specified in 2a and b above will be charged to the accounts to which the personal services are charged.

d Technical division indirect cost should not be applied to direct labor costs applicable to services of an employee loaned to work under direction of a borrowing office. Supervision of the work of a loaned employee is substantially accomplished by the borrowing office; therefore, billing of technical division indirect cost on loaned employee services is inappropriate. However, where services are performed for others, under direction of the employing office, indirect cost should be charged and billed.

e Program development functions are primarily related to engineering and to the practical and orderly scheduling of engineering and construction work. Costs of the Program Development Office shall be charged against projects or studies as direct or indirect costs. The Program Development Office shall not be considered an element of District Overhead regardless of organization assignment.

f Engineer interns personal services and travel costs will be charged to the technical division functional account or the resident, area or project office where he is training when costs are incurred. These costs will be included with other indirect charges and distributed to military and civil projects, studies, etc., based on direct labor charges of the office where he is training. However, direct charges will be appropriate when training at a project office having supervision over only one project. All costs of engineer interns while training with Army Facilities Engineers will be shared by the Engineering, Planning, Construction and Operations divisions in direct proportion to the direct labor costs of only those technical divisions. This may be done by charging these costs to a 459.- (VW59) account and allocating to military and civil projects, studies, etc., using indirect costing techniques tied to direct labor.

Change 40
20 Aug 79

(b) In addition to the district office functional accounts described above, accounts will be maintained for district office miscellaneous expenses (460.20),

prorated expenses, Centralized Division Support charges, and other charges from other offices (460.25), sales of net overhead services (460.30) and results from prior year operations (460.37).

(c) The labor and travel costs of the District Engineer and of those Executive Assistants who are assigned to discharging the functions of the executive office will be charged to Account 460.01. The cost of special assistants, consultants, etc., will be charged to the organizational unit where the principal duty is performed.

(d) Labor and travel costs of employees in staff elements will be included in the gross costs of the organization to which they are regularly assigned, with the following exception; when an employee is assigned temporarily to the supervisor of another district office organization, his labor and travel costs will be included in the gross costs of the organization to which assigned and excluded from the gross cost from which assigned.

(e) Account 460.21, Flood Control and Coastal Emergency Activities, will cover the labor and travel costs of district office employees temporarily assigned to Emergency Operations. These costs will not be reflected in the costs of the district office organizational elements from which the employees are drawn. They will be credited as sales to account 460.21 and charged to the applicable Flood Control and Coastal Emergency funds, leaving no balance to be distributed as general overhead.

(f) District office miscellaneous expenses include such items as transportation of things, communication services, rents and utilities, printing and reproduction, supplies and materials, ADP services and other contractual services. These expenses identified to specific projects or facilities (accounts 425-459) will be charged directly to the project or facility. Those identifiable to specific technical organizations (460.12-460.19, 460.21 and 460.22, except 460.15) will be charged as technical indirect costs to that technical organization. Miscellaneous expenses incurred for the Executive, Advisory and Administrative organizations (460.01-460.10, and 460.15) or incurred for overall district use such as supplies and materials for a central stock room or library, will be charged to the 460.20 account and distributed as overhead.

(g) Permanent change of station, suggestions and incentive awards expenses for technical organizations and facilities will be charged to the technical organization or facility account. These expenses incurred for the Executive, Advisory, and Administrative organizations will be charged to their organization account as appropriate and distributed as overhead.

(h) Pro rata expenses and other charges will be charged to the 460.25 account and distributed as overhead with the following exceptions:

1 Centralized Audit Service covering audits of contract work will be charged direct to projects.

2 Central payroll charges will be allocated based upon the number of employees serviced in each technical, field, facility, or overhead organization. Charges allocated to technical, field, or facilities organizations will be charged to those organizations. Charges applicable to the Executive, Advisory, and Administrative organizations will be charged to the 460.25 account and distributed as overhead.

* 3 (Reserved)

(i) Columnar Headings.

1 For each district general administrative and technical organizational account from which direct charges are made, the following money columnar headings will be provided on ENG Form 17A, Cost Sheet - Miscellaneous. Accounting elements rather than columnar heading are applicable to districts using the COEMIS F&A Subsystem.

Charges (Debits)

Labor (Col 1)

Travel (Col 2)

Other (Col 3)

Sales (Credits) (Col 6)

Joint Cost Credits (Col 7)

Net Cost (Col 8)

2 (Rescinded)

3 (Rescinded)

4 Columnar headings for Account 460.20:

Charges (Debits) - Sheet No. 1

Transportation of Things (Col 1)

Communication Services (Col 2)

Rents and Utility Services (Col 3)

Printing and Reproduction (Col 4)

Other Contractual Services (Col 5)

Supplies and Materials (Col 6)

Other (Col 7)

Total Charges (Col 8)

*

Credits - Sheet No. 2
Joint Cost Credits (Col 6)
Sales (Col 7)
Total Credits (Col 8)

5 Columnar headings for Accounts 460.25 (2 sheets):

Charges (debits) - Sheet No. 1

Office, Chief of Engineers (Col 1)
Centralized Division Support (Col 2)
Other Prorata Expenses (separate column for each type)
Total Charges (Col 8)

Credits - Sheet No. 2

Joint Cost Credits (Col 6)
Sales (Col 7)
Total Credits (Col 8)

6 Columnar headings for Account 460.30:

Sales (Col 1)
Joint Cost Credits (Col 2)
Total Credits (Col 8)

7 (Rescinded)

8 Columnar headings for Account 460.37:

Results from Prior Year Operations (Col 1)
Balance (Col 8)

(3) Distribution of District Overhead (General Administrative) Costs.

(a) District overhead costs will be distributed to all work performed by the district on the basis of weighted labor dollars. Activity base titles, weights, and definitions are as follows:

1 General Investigations (Civil, 1.2). Covers work described in ER 11-2-220, including such work funded by Flood Control, Mississippi River and Tributaries (FCMR&T) and similar studies and investigations for others.

2 General Expenses (Civil, 1.4). Covers only Commercial Statistics and Special Investigations work.

* 3 Engineering and Design (Civil, 1, 0; Military and NASA, 1.1). Covers work described under that title in Chapter 8 (e.g., cost accounts 30 and 634) and in ER 37-345-10, Chapter 6 (cost account 800), and similar work for others including EPA Superfund Program.

4 Real Estate Administration (Civil, 1.1; Military and NASA, 1.0). Covers work described in paragraph 8-8 and in ER 37-345-10, paragraph 6-3c(2) and similar work for others including EPA Superfund Program.

5 Construction (Civil, 1.7; Military and NASA, 1.1). Covers construction work (except engineering and design, and real estate administration) including Supervision and Administration thereof; and similar work for others including EPA Superfund Program.

6 Operation and Maintenance (Civil, 1.1). Covers O&M work (except engineering and design, and real estate administration) including such work funded by FCMR&T and Flood Control and Coastal Emergencies; and similar work for others.

7 EPA Construction Grants Program (Civil 1.0). Since the EPA Construction Grants Program work does not involve Contracting Officer type responsibilities, the overhead weight will be 1.0 for all activities performed.

8 Revolving Fund (1.0). Covers direct and indirect labor charged to a plant, warehouse, shop or facilities, assets, work for others, or deferred accounts; loan of plant or hopper dredges (lending district will apply weight of 1.0 to operating labor costs billed to borrowing districts; borrowing district will apply weight of 1.0 to labor costs it incurs for the lending district); central payroll office expenses (billing office).

*

9 Other Activities (Civil, 1.0; Military and NASA, 2.0).

- * Includes work not covered above. Examples of such work are master planning for Military Installations; central procurement and related Contracting Officer's Representative (COR) activities; subsurface explorations for others; inspection service for others; and technical assistance activities for the EPA Superfund Program.

10 (Reserved)

*

(b) Overhead expenses in connection with the operation of district and division offices remain somewhat constant throughout the year. The rates for distribution of district overhead are determined at the beginning of each fiscal year and are revised as necessary. The general procedures outlined below and illustrated in subparagraph 7 should be observed:

1 Regular and Overtime Labor. Estimate the fiscal year regular and overtime labor cost for each organization by activity base.

2 District Incurred Overhead.

a Estimate the total district overhead to be incurred during the fiscal year, exclusive of pay and allowances of military personnel payable from Civil funds, and GSA and Revolving Fund owned space costs applicable to overhead activities.

b Estimate the amount of pay and allowances payable from Civil funds of Military personnel who will perform district overhead functions.

c Estimate the amount of GSA and Revolving Fund owned space costs applicable to overhead activities.

- * 3 Weighted Costs. To the estimates developed in (b)1 above, apply the weights stated in paragraph (3)(a) above. Deviation from these weights will be made only with approval of the Commander, USACE. Any requests for deviations will state reasons in detail, specify the impact upon pertinent appropriations, and must show that the weights are grossly inequitable Corps-wide. On the basis of these weighted costs, compute the

*

ER 37-2-10
Change 41
5 Oct 79

proportionate amounts of estimated overhead in (b)2a chargeable to the Civil, and Military activities in (b)1 above. On the basis of duty assignments, allocate to Civil activities and NASA work the estimated pay and allowances of military personnel payable from Civil funds who will perform district office overhead functions. Allocate the GSA overhead space costs to Civil activities. Allocate Revolving Fund owned overhead space costs to Civil, and Military activities. *

4 To the overhead amounts determined under (b)3 above, add any prior fiscal year balance of undistributed overhead. The prior fiscal year undistributed balance may be applied to the programs which generated the balance if determined to be more equitable.

5 (Reserved)

6 The total estimated overhead costs for each work classification will be divided by the corresponding estimated unweighted costs bases to establish predetermined overhead rates.

7 The general method of computing overhead rates outlined in the preceding paragraphs is illustrated in the following example:

* 8 Overhead will be distributed on indirect labor charged to the technical account. A composite technical indirect overhead weight must be computed for each technical organization. First determine the direct labor that will be reflected in columns 1 thru 3 of the overhead allocations and rates computations schedule. Then compute a composite technical indirect overhead weight for each technical organization as illustrated in columns 14 thru 16 of the sample. Add the information in columns 14 thru 16 to columns 1 thru 3. Then compute the overhead rates. Overhead charged to technical indirect accounts will be included with the other indirect costs. These costs will be identified as indirect costs only when distributed to studies, projects, or other Revolving Fund accounts. *

ESTIMATED OVERHEAD COSTS ALLOCATIONS AND OVERHEAD RATES COMPUTATIONS

ORGANIZATION/ACTIVITY	ESTIMATED LABOR DOLLARS (1)	WEIGHTS (2)	WEIGHTED COSTS (3)	% OF TOTAL (4)	ESTIMATED DISTRICT INCURRED OVERHEAD (5) (a)	ESTIMATED MIL P&A FROM CIVIL FUNDS (6) (b)	ESTIMATED OVERHEAD SPACE COSTS (7) (c)	PRIOR FY BALANCE (8) (d)	ESTIMATED PRO-RATA EXPENSE			ESTIMATED TOTAL OVERHEAD 5 thru 11 (12)	PERCENT OVERHEAD RATE 12 + 1 (13)	TECHNICAL DIVISIONS (g)		
									APPLIED TO CIVIL & MILITARY (9) (d)	APPLIED TO CIVIL (10) (e)	APPLIED TO MILITARY (11) (f)			INDIRECT ESTIMATED LABOR (14)	COMPOSITE WEIGHT 3 + 1 (15)	COMPOSITE WEIGHTED COSTS (16)
OPERATIONS DIVISION																
Civil Operation & Maintenance	\$ 3,000,000	1.1	3,300,000	22.12	331,800	8,952	59,680	1,123	11,235	14,920	X	427,710	14.26			
TOTAL OPERATIONS DIVISION	3,000,000		3,300,000													
Technical Indirect (Operations)	20,000	1.10	22,000	.15	2,250	X	X	X	X	X	X	2,250	11.25	20,000	1.10	22,000
ENGINEERING DIVISION																
General Expenses	10,000	1.4	14,000	.09	1,350	39	260	5	50	65	X	1,769	17.69			
General Investigations	500,000	1.2	600,000	4.02	60,300	1,629	10,860	204	2,045	2,715	X	77,753	15.56			
Civil Engineering & Design	2,000,000	1.0	2,000,000	13.40	201,000	5,424	36,160	681	6,810	9,040	X	259,115	12.96			
Military Engineering & Design	300,000	1.1	330,000	2.21	33,150	X	X	112	1,125	X	2,054	36,441	12.15			
TOTAL ENGINEERING DIVISION	2,810,000		2,944,000													
Technical Indirect (Engineering)	60,000	1.05	63,000	0.42	6,300	X	X	X	X	X	X	6,300	10.50	60,000	1.05	63,000
CONSTRUCTION DIVISION																
Civil Construction	2,000,000	1.7	3,400,000	22.79	341,850	9,222	61,480	1,157	11,575	15,370	X	440,654	22.03			
* Military Const(Include VW65 & VW66)	1,000,000	1.1	1,100,000	7.37	110,550	X	X	375	3,745	X	6,845	121,515	12.15			
EPA Construction Grants	(1)	1.0	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	X	(1)	(1)			
TOTAL CONSTRUCTION DIVISION	3,000,000		4,500,000													
Technical Indirect (Construction)	30,000	1.5	45,000	0.30	4,500	X	X	X	X	X	X	4,500	15.00	30,000 (i)	1.50 (i)	45,000 (i) *
PROCUREMENT & SUPPLY DIVISION																
Civil Engineering & Design	50,000	1.0	50,000	0.34	5,100	135	900	17	170	225	X	6,547	13.09			
Military Engineering & Design	50,000	1.1	55,000	0.37	5,550	X	X	19	185	X	342	6,096	12.19			
Civil Construction	20,000	1.7	34,000	0.23	3,450	93	620	12	115	155	X	4,445	22.23			
Military Construction	20,000	1.1	22,000	0.15	2,250	X	X	8	75	X	137	2,470	12.35			
Civil Operation & Maintenance	10,000	1.1	11,000	0.07	1,030	30	200	4	35	50	X	1,369	13.69			
TOTAL SUPPLY DIVISION	150,000		172,000													
PROGRAM DEVELOPMENT																
General Investigations	500,000	1.2	600,000	4.02	60,300	1,629	10,860	204	2,045	2,715	X	77,753	15.56			
Civil Engineering & Design	100,000	1.0	100,000	0.67	10,050	270	1,800	34	340	450	X	12,944	12.94			
TOTAL PROGRAM DEVELOPMENT DIVISION	600,000		700,000													
Technical Indirect (Prog Development)	30,000	1.17	35,100	0.24	3,600	X	X	X	X	X	X	3,600	12.00	30,000	1.17	35,100
REAL ESTATE DIVISION																
Civil Real Estate Administration	300,000	1.1	330,000	2.21	33,150	894	5,960	112	1,125	1,490	X	42,731	14.24			
Military Real Estate Administration	100,000	1.0	100,000	0.67	10,050	X	X	34	340	X	622	11,046	11.05			
TOTAL REAL ESTATE DIVISION	400,000		430,000													
Technical Indirect (Real Estate)	20,000	1.08	21,600	0.15	2,250	X	X	X	X	X	X	2,250	11.25	20,000	1.08	21,600
PLANNING DIVISION																
General Investigations	500,000	1.2	600,000	4.02	60,300	1,629	10,860	204	2,045	2,715	X	77,753	15.56			
Civil Engineering & Design	20,000	1.0	20,000	0.13	1,950	54	360	7	70	90	X	2,531	12.66			
TOTAL PLANNING DIVISION	520,000		620,000													
Technical Indirect (Planning)	40,000	1.19	47,600	0.32	4,800	X	X	X	X	X	X	4,800	12.00	40,000	1.19	47,600
REVOLVING FUND (h)																
Plant	1,000,000	1.0	1,000,000	6.70	100,500	X	X	341	3,405	X	X	104,246	10.42			
Warehouse	20,000	1.0	20,000	0.13	1,950	X	X	7	70	X	X	2,027	10.14			
Shop & Facilities	880,000	1.0	880,000	5.90	88,500	X	X	300	2,995	X	X	91,795	10.43			
Work for Others	100,000	1.0	100,000	0.67	10,050	X	X	34	340	X	X	10,424	10.42			
Assets Accounts	10,000	1.0	10,000	0.07	1,050	X	X	3	30	X	X	1,083	10.83			
Deferred	10,000	1.0	10,000	0.07	1,050	X	X	3	30	X	X	1,083	10.83			
TOTAL REVOLVING FUND	2,020,000		2,020,000													
Totals (Direct and Indirect)	\$12,700,000		\$14,920,300	100.00%	1,500,000	30,000	200,000	5,000	50,000	50,000	10,000	1,845,000		200,000		234,300

- (a) Excludes costs in Columns 6 through 11.
- (b) Compensation of Military Personnel (MP) payable from Civil funds who will perform overhead functions. Distributed on basis of weighted costs from Column 3.
- (c) Illustrates costs of GSA space costs applicable to overhead activity. Distributed upon the basis of weighted costs from Column 3.
- (d), (e), (f) Distributed upon the basis of weighted costs from Column 3.
- (g) Illustrates computation of composite indirect overhead weight discussed in para. 7-23a(3)(b)8, ER 37-2-10.
- (h) FOA may consolidate all RF activities into a single category.
- (i) EPA Construction Grant Program would be included if FOA has such work.

* (c) (Reserved)

(d) (Reserved)

1 The general procedures outlined above will be altered to the extent necessary in order to effect modified distributions of overhead prescribed for certain categories of work.

2 (Reserved)

3 (Reserved)

4 Division office expense applicable to work for foreign governments will be separately billed to districts performing such work. District offices will charge these amounts to Account 460.25.

(e) Inter-District Billing. The amount and rate of overhead will be shown separately in the bill for reimbursement prepared by the billing district. Overhead will not be assigned to or billed for loan of "Executive, Advisory, Administrative" staff; i.e., "overhead" employees. Overhead applicable to loan of "Technical" staff employees will be charged and billed. Overhead will not be charged by the billing office for labor costs of personnel on PCS house hunting trips.

* b. Application of Overhead and Technical Indirect.

(1) Overhead and technical indirect expense incurred during a fiscal year should be distributed during the same fiscal year. Even though rates are set to achieve a zero balance at fiscal year end, exact distribution is not always feasible. Therefore, nominal balances, defined as within plus or minus five percent (+/- 5%) of the overhead and technical indirect expenses for each separate account for the fourth quarter, may be carried forward to the next fiscal year. During the fiscal year overhead and technical indirect accounts may fluctuate outside the defined nominal balances. However, at fiscal year end balances in these accounts should be within the plus or minus five percent criteria. Resource Managers will ensure that a review is made of the overhead and technical indirect accounts and rates at least quarterly. When it is forecast that fiscal year ending balances will be in excess of established nominal balances, the overhead and/or technical indirect rates should be adjusted as required.

(2) Copy of the analyses for the period ending 30 June is to be submitted to DAEN-RMF-C by 31 July. As a minimum, documentation of the review must include for the overhead and each technical account, (a) approved fiscal year end nominal balance, (b) balance at start of fiscal year, (c) fiscal year expense and income through 30 June, (d) estimate of fourth quarter expense, income and ending balance and (e) any rate changes necessary.

(3) Overhead will not be applied to the following:

(a) Labor on work performed by another FOA and/or by various governmental elements (e.g., Facility Engineers, municipalities, States, independent agencies).

(b) Labor to be billed to HQUSACE for inclusion in Centralized Activities which are distributed to others as overhead.

(c) Executive, Advisory and Administrative labor which will be charged to and distributed as district overhead.

(4) Inter-District Billing. The amount of technical indirect and overhead will be shown separately in the bill for reimbursement prepared by the billing district. Overhead will not be assigned to or billed for loan of "Executive, Advisory, Administrative" staff; i.e., "overhead" employees. Overhead applicable to loan of "Technical" staff employees will be charged and billed. Overhead and technical indirect will not be charged by the billing office for labor costs of personnel on PCS house hunting trips.

*

c. Accounting for Area Office Costs.

(1) Account VW64 will be maintained to capture the cost of area office organizations. A subaccount will be established for each area office. The subaccount should be maintained in accordance with the applicable breakdown prescribed for the district office overhead account.

(2) Costs incurred for inspection and surveys directly chargeable to projects under the supervision of the area office will be credited to the area office account and charged to the appropriate project account. The remaining area office costs will be distributed to the projects. A predetermined percentage will be established and applied to direct project costs each month, based on the budgeted relationship of total overall annual area office expense and the programmed expenditures for the year on all projects administered by that office. Such percentage will be reviewed at least quarterly to determine need for adjustment in the rate to ensure that only nominal balance is carried over at the end of each fiscal year. See paragraph 7-23b for definition of nominal balance.

7-24 Function of Military Construction Supervision and Administration (S&A) Accounts.

- * a. General. ER 37-345-10 provides for the application of supervision and administration (S&A) to military construction work at uniform Corps-wide rates. The rates will be reviewed periodically by the Chief of Engineers and revised as necessary. Supervision, inspection and overhead will not be charged directly to line items or jobs to which the Corps-wide S&A rates are applicable. In lieu thereof such costs will be charged to Revolving Fund accounts in the 465.802 and 465.804; 466.802 and 466.804 series. S&A costs will be distributed at the Corps-wide rates and charged to military construction cost accounts. S&A costs distributed will be credited to accounts 465.806, 466.806. The difference between S&A costs incurred and distributed will be accounted for in accounts 465.807, 466.807. *

b. Applicability. See ER 37-345-10.

c. Financing. Districts having a Civil Works Revolving Fund will finance the S&A costs from the Revolving Fund. Any difference between actual S&A costs and amounts distributed at the current Corps-wide S&A rates will be transferred to Omaha District as explained in e below.

ER 37-2-10
Change 56
15 Aug 85

d. Accounting for S&A Costs.

* (1) Account 465 "MILCON Supervision and Administration (S&A)" and account 466 "O&M Supervision and Administration (S&A)" will be established with subaccounts as provided in paragraph 7-7. Each subdivision of accounts 465.802.- through 465.804.2, 466.802- through 466.804.2 will be broken down to reflect the method (contract or hired labor) of performing the construction work.

(2) The Corps-wide S&A rates will be applied to the direct costs recorded in the applicable Military Construction line item accounts. Care will be exercised to ensure that this is done in the same month in which the related direct construction costs are recorded and that the corresponding credits are recorded at that time in the applicable Revolving Fund accounts. Costs distributed will be credited to Revolving Fund account 465.806, 466.806.

e. Transfer of Month-end Balance of S&A Costs.

(1) Districts other than Omaha will prepare ENG Form 4480 in the amount of the net balance as of the end of each month in accounts 465.802.- thru 465.806, and 466.802- thru 466.806. Submissions mailed to District Commander, Omaha will be in duplicate (original and copy) and one copy mailed direct to CDR USACE (DAEN-RMF-C), WASH DC 20314-1000. ENG Forms 4480 will be submitted in time to reach destinations not later than the 15th of the following month. Whenever the 15th falls on a Saturday, Sunday or holiday, the voucher will be submitted for receipt on the morning of the work day immediately preceding the due date. Summary detail will be reflected on the ENG Form 4480 for current month data in the following format:

	465	466
Current Month Work Placement	\$xxx,xxx,xxx	\$xxx,xxx,xxx
Current Month Income	xxx,xxx.xx	xxx,xxx.xx
Less Current Month Expenses:		
Supervision and Inspection	xx,xxx.xx	xx,xxx.xx
General Overhead	x,xxx.xx	x,xxx.xx
Current Month Gain or (Loss)	xx,xxx.xx	xx,xxx.xx

*

If "Income" does not equal the product of the applicable S&A rate times the related "Direct cost to which total income applies," appropriate explanation must be written on the ENG Form 4480 or voucher. An example of the explanation follows:

Explanation: Income is understated by \$xxx,xxx due to the following:

(a) \$x,xxx.....

(b) \$ xxx.....

- * In order for HQUSACE to maintain timely and effective management over the Corps-wide rates accounts, the S&A data must be telecopied to CDR USACE (DAEN-RMF-C), phone number (202) 272-0970, by the 9th of each month with cumulative current fiscal year to date (CFYTD) and current month gain or (loss) data as follows:

	465	466
Work Placement (CFYTD)	\$xxx,xxx	\$xxx,xxx
Work Placement (CFYTD) Not Subject to Uniform Rate	xxx,xxx	
Income (CFYTD)	xxx,xxx	xxx,xxx
Less Expenses (CFYTD)		
Supervision and Inspection	xxx,xxx	xxx,xxx
General Overhead	xx,xxx	xxx,xxx
Gain or (Loss)	xxx,xxx	xxx,xxx
Expenses (CFYTD) Not Subject to Uniform Rate	xx,xxx	
Current Month Gain (Loss) (Use cents here only)	xxx,xxx.xx	xxx,xxx.xx

In an emergency the information may be telephoned to DAEN-RMF-C, (202) 272-0067.

*

7-102a (next page is 7-103)

(a) In the case of a net credit balance, entries will be made as follows:

Transferor District

Dr 415 (Cost acct 465.807 or 466.807)
Cr 310 Funds with Treasury

Omaha District

Dr 310 Funds with Treasury
Cr 401.1 (Cost acct 454 or 435)

(b) In the case of a net debit balance, entries will be made as follows:

Omaha District

Dr 415 (Cost acct 454 or 435)
Cr 310 Funds with Treasury

Transferor District

Dr 310 Funds with Treasury
Cr 401.1 (Cost acct 465.807 or 466.807)

(2) The Omaha District will transfer its monthly balance in MILCON S&A Accounts 465.802 thru 465.806 to Account 454, Contra Account 465.807, by use of ENG Form 4480 and O&M S&A Accounts 466.802 thru 466.806 to Account 435, Contra Account 466.807, by use of ENG Form 4480. A copy of the ENG Form 4480s will be mailed to CDR USACE (DAEN-RMF-C) WASH DC 20314, in time to reach the destination not later than the 15th of the following month. *

7-25 Function of Insurance Accounts.

a. Purpose. The purpose of the Insurance Accounts is to provide, by charges to work, a reserve to be available for absorption of losses and damages due to casualties incident to Revolving Fund activity. The charges for insurance premiums will be included in the operating expenses of the activity in which the asset insured is used. For example, insurance premiums covering warehouse stock, warehousing structures and warehousing equipment will be charged to Account 425. - Warehouse Operating Expenses; insurance premiums covering Shop Structures and Shop Equipment will be charged to Account 440 - Shops and Yards Operation; and insurance premiums covering a dredge will be charged to the applicable dredge account subdivision under Account 421.-.

ER 37-2-10
* Change 45
* 19 Dec 80

b. Reimbursed Damages. Claims against insurance companies and others for loss or damage to Revolving Fund property will be credited to subsidiary cost account 495.7 (GL 351) either directly or indirectly through the 479.- series of cost accounts as prescribed in para 7-16d.

c. Rates. The annual rates to be applied uniformly throughout the divisions/districts are:

Dredges and Other Floating Plant	1.25%
Structures, Mobile Land Plant, & Airplanes	1.00%
Fixed Land Plant and Tools, Office Furniture and Equipment	0.75%
Warehouse Stock	0.50%

* 7-25b

7-103a (next page is 7-104)

ER 37-2-10
Change 36
22 Mar 78

* Thus a division/district with the following insurable assets would accrue the following basic premiums:

Dredges and Other Floating Plant	\$5,000,000 @ 1.25% = \$62,500
Structures, Mobile Land Plant and Airplanes	\$2,000,000 @ 1.00% = \$20,000
Fixed Land Plant and Tools, Office Furniture and Equipment	\$1,000,000 @ 0.75% = \$ 7,500
Warehouse Stock	\$ 100,000 @ 0.50% = \$ 500

d. Review of Rates. The Chief of Engineers will annually review the adequacy of the insurance premium rates established in the preceding subparagraph and will revise such rates if requirement therefor is indicated. In no case will any rates be used other than the rate established, or to be established and announced on a Corps-wide basis pursuant to the foregoing annual review. *

e. Premiums. The insurance premiums will be determined annually as of 1 October of each year by applying the annual rate to remaining book values of structures and equipment in service, warehouse stocks, and other tangible insurable assets actually on hand as of the preceding 30 September. During the period for which the premium amounts have been so established, no change will be made with respect thereto except as warranted by major additions or retirements of insurable assets or as directed by the Chief of Engineers. Frequency of charges should be the same as used for charging depreciation accruals.

f. Losses Written Off. Amounts to be charged to the insurance account for loss, damage or destruction of Revolving Fund property, or other charges to that account, will be substantiated by documents approved by competent authority at district level, stating the nature, cause and monetary extent of loss in property value.

7-26 Division Office Military Functions, and Engineer Inspector General Field Activities. a. Applicability. Cost Account 439.-, "Division Office Military Functions Expenses" is applicable only to district offices which maintain the accounting records for Engineer Inspector General Field Offices and for Division Offices. Except as provided below, costs of division office military functions will be charged to O&MA or other funds allotted for that purpose and not distributed as overhead to project or line items. In division offices with the dual functions of staff supervision and direct effort, i.e., operating divisions, charges to O&MA funds will be limited to division office military supervisory and administrative functions.

b. Labor Costs. All Division Office employees will be assigned to "civil works" or "military functions" and will be paid initially from the Revolving Fund. Labor costs of Division Office employees (including EIG employees, account 439.10) will be computed at effective time rates. Military personnel assigned to military functions will be paid directly from the appropriation Military Personnel, Army. Labor costs of Division Office military functions employees applicable to work for foreign governments will be charged thereto. Details of Division Office Military functions employees to other offices will be reimbursed therefrom.

c. Services, Supplies, etc. Travel costs incurred in connection with any of the direct labor costs will be charged similarly to the latter costs. All other travel costs and all other costs of services, supplies, etc., which are applicable to both Division Office civil functions (General Expense Appropriation) and other activities will be paid from the Revolving Fund and charged to the appropriate accounts on an equitable basis. Personnel who authorize the procurement or furnishing of services, supplies, etc., will supply the distribution to be made for the cost thereof.

d. Shop and Facility Functions. Accounting for laboratories operated by division offices will be the same as for normal Revolving Fund Activities.

e. Division Office Military Expenses. At the beginning of the fiscal year each Division Engineer will inform the District Engineers under his jurisdiction of the estimated amount of division expenses which will be charged to their districts during the fiscal year for work for foreign governments.

f. (Reserved)

7-27 Distribution of Operating Costs - Airplanes. a. Operating Costs. Operating costs of each airplane will be distributed on the basis of usage through use of predetermined rates. The rate for each airplane will be reviewed and adjusted as necessary at the beginning of each fiscal year with the objective of absorbing the current year estimated annual costs and balances carried forward from prior year. The rate will be adjusted during the year as necessary to meet operational or cost changes from the previous estimate. When an airplane is used for District Office purposes, the costs will be charged to project funds or other accounts of the District; when used for Division Office purposes, costs will be charged to Division Office Civil Functions Expense (cost account 444.25) or to Division Office Military Functions Expense (cost account 439.25), as appropriate; when used for purposes of OCE, costs will be charged to General Expenses (ED&M) or to military funds as appropriate.

b. Reserved

c. General Instructions. (1) Whether chargeable to project or other District accounts, operating costs of airplanes will be
* included in cost account 460.25, Centralized Activities Expenses and Other charges, so as to develop the gross amount of such costs charged to the District. Any amount treated as a direct charge will be credited to account 460.25 as sales or joint cost credits as applicable, the balance being included as overhead.

(2) Operating costs of airplanes for Division Office functions will be charged to account 444.25 or 439.25 and credited to account 421.2- as joint cost credits.

(3) Operating costs of airplanes chargeable to OCE will be credited to account 421.2- as sales.

- * 7-28. Personal Services and Travel Expenses - HQUSACE/OCE and Division Office Personnel. The pay and travel expenses of Civil Works personnel assigned to HQUSACE/OCE and division offices may only be charged to project funds when the services or travel performed are directly related to the project and the project benefits specifically from such services or travel. The general rule is that a project benefits directly only when the services performed would or could, under existing Engineer Regulations, be performed by district personnel if the district were adequately staffed or had the technical expertise to perform the service. For example, the pay of HQUSACE/OCE or division office personnel "actually engaged" in design or redesign, as well as any travel costs incurred in connection therewith, are properly chargeable to project funds. The term "actually engaged" covers only those HQUSACE/OCE and division office personnel engaged directly in the design or redesign, not those engaged in supervision and review of design or redesign performed in lower echelons. Consulting services and technical assistance provided by HQUSACE/OCE and division office personnel and travel associated with such services may be charged to project funds only in those instances in which the services are requested in writing by the District Commander and benefit the project exclusively. Under no circumstances should consulting services or technical assistance of a general nature be charged to project funds. *

7-29. Air Force Civil Engineer Regions (AFCER) Offices at Division Office. Effective 1 July 1968, non-reimbursable support furnished to AFCER offices in accordance with ER 1-1-6 will be absorbed in division office military functions expense in account 439.

7-30. Centralized Activities of the Office, Chief of Engineers. Costs included in these accounts are indicated in para 7-13g. At the beginning of each fiscal year, work orders (ENG Form 3013) for activities covered by 467.- accounts will be furnished by OCE to the Finance and Accounting Support Office. Procedures for distributing and billing these costs are as follows:

ER 37-2-10
Change 55
28 Jun 85

* a. 467. 2 Centralized Activities Expenses, OCE. At the beginning of each fiscal year, OCE will notify each FOA as to the estimated amounts to be billed during the fiscal year. Actual costs will be billed quarterly by Finance and Accounting Support Office (HECSA-RMF), based upon percentages furnished by DAEN-RMF-C. *

(1) (Reserved)

(2) (Reserved)

(3) (Reserved)

(4) At the end of the fiscal year the amount of the estimated distribution less billings received should be accrued. When the billing covering the fourth quarter is received, the accrual should be adjusted as required.

b. 467.3, 467.4, 467.7, 467.8, and 467.9 OCE Support of Postal Service. The cost of OCE/HQ staff personnel engaged in Postal Service activities will be charged to these accounts.

* c. (Reserved)

* d. (Reserved)

7-31 Financial Management.

a. The anti-Deficiency Act, RS 3679, also applies to the Revolving Fund in three areas. These three areas are: disbursements exceeding Funds with the Treasury, PRIP expenditures exceeding the Congressional limitation on capital expenditures, and budgetary requirements exceeding available budgetary resources. FOA's must have OCE/HQ approval prior to exceeding their Funds with Treasury or PRIP allocations. When their forecast of funds availability and requirements indicates a possible minus condition, additional funds with Treasury should be requested on line 5e of ENG Form 3739.

(1) Successful financial management of the Revolving Fund requires that accounts and operations be frequently reviewed to ensure that costs are currently and equitably absorbed by the customers, and that a sufficient cash balance is maintained in each FOA to permit prompt liquidation of obligations as they mature. This requirement is satisfied through the medium of forecasting cash availability on ENG Form 3739, Forecast of Fund Availability, RCS DAEN-RMF-1 (R2). Related to these actions are the requirements for: (a) analysis of accounts receivable at least monthly to ensure follow-up action on uncollected accounts; (b) appropriate action to charge off uncollectible accounts receivable to the activity or function for which the accounts receivable was established; (c) review of billing procedures to ensure that unbilled costs are not allowed to accumulate to an unwarranted degree; and (d) appropriate local action to prevent scheduling for payment of vouchers in excess of the available Revolving Fund cash.

ER 37-2-10
Change 47
30 Apr 82

*

(2) The Administrative Provision of the Energy and Water Development Appropriation Act provides a dollar limitation each fiscal year that the total accrued expenditure of the capital investment program of the Revolving Fund (PRIP) shall not exceed. Instructions in ER 1125-2-301 provide controls to prevent the Corps from exceeding this limitation.

(3) Since the Revolving Fund is financed from its own receipts, it is not necessary to establish the budgetary and allotment accounts normally required for appropriated funds. However, during preparation in OCE of SF 133, Report of Budget Execution to OMB and SF 220, Statement of Financial Conditions to the Treasury, it is necessary to report the unobligated balance of the Revolving Fund. The unobligated balance is determined as follows:

Funds With Treasury (1)	(GL 310)	\$
Accounts Receivable	(GL 313)	
Prepayments & Advances	(GL 316)	
Work in Progress for Others	(GL 317)	
Unfilled Customer Orders (2)	(EAM 893)	
Budgetary Resources		<u>\$</u>
Accounts Payable	(GL 341)	\$
Advances for Services & Commodities	(GL 343)	
Accrued Leave	(GL 345)	
Deferred Balances - Plant Operations	(GL 325.1)	
Undelivered Orders (3)	(EAM 890)	
Net Operating Gain (Loss-) (4)	(EAM 798)	
Budgetary Requirement		<u>\$</u>
Unobligated Balance (Budgetary Resources (5) less Budgetary Requirement)		<u>\$</u>

(1) At OCE/HQ the FOA balances in GL 310 is adjusted to agree with the Treasury Trial Balance and any adjustments reconciled with the FOA.

(2) FOA should report balances of customers orders not yet reflected as costs, provided the orders have been recorded as an obligation in the ordering appropriation. Any intra-Revolving Fund orders and those covered by advances should not be included.

*

* (3) FOA should report the unpaid balance of Revolving Fund contracts and other orders which has not been accrued at the end of the reporting period. Any intra-Revolving Fund undelivered orders should be excluded.

(4) Net operating gain is the result of overcharging projects or customers. This requires a reduction in future distribution rates. Therefore, this is a requirement in future periods. Net operating loss reflects that projects or customers were undercharged. This will require an increase in future distribution rates.

(5) While exceeding the available budgetary resources in one FOA is not a violation of the anti-Deficiency Act, it may cause a statute violation by exceeding budgetary resources available Corps-wide.

The General Accounting Office and OMB has ruled that should the unobligated balance for the total fund reflect a minus unobligated balance it would be a RS 3679 violation which must be reported to the Congress. Since the Revolving Fund reports are transmitted to OCE/HQ, and the Corps' unobligated balance is computed in the month following the end of the quarter, it is too late to take effective action to preclude having a statute violation. Therefore, to help ensure that the Corps will not incur a minus unobligated balance, each Resource Management Officer or Comptroller is responsible to establish procedures for the FOA Finance and Accounting Officer and the Budget Officer to review at least quarterly forecasts of the above items. When it is determined that available resources will be insufficient to cover requirements as of the end of the next quarter, the FOA should delay incurring the obligation against the Revolving Fund and/or request additional funds on ENG Form 3739 from OCE/HQ. This requirement will not delay using the resources of the Revolving Fund to temporarily fund flood fighting and other emergency work to save life and prevent damage to property. Such costs while reducing Funds with Treasury will increase Work in Progress for Others, cost account 481.4.

*

ER 37-2-10
Change 47
30 Apr 82

* b. Advances received increase budgetary resources available when the amount is collected in Funds with Treasury, but it also increases budgetary requirements. Advances are required when performing services for customers outside the Federal Government. This requirement in OMB Circular A-34 results in not having to use Federal resources to provide the service, which reduces Federal borrowing, at the same time this action increases the Revolving Fund budgetary resources to accomplish the work while staying within the budgetary resources of the Revolving Fund.

c. Undelivered Orders (EAM 890, ENG Form 3017) includes the unpaid dollar value of all Revolving Fund contracts and other orders which are valid obligations of the Government which have not been accrued as of the end of the reporting period. The amount reported should exclude any intra-Revolving Fund undelivered order. Periodically the undelivered orders documents are to be examined as required by paragraph 5-28. Since the value of undelivered orders as reported on EAM 890, ENG Form 3017, is a requirement against available resources, reporting an invalid amount results in OCE/HQ reporting an invalid unobligated balance on the SF 133 and SF 220 to OMB and the Treasury.

d. Resources available are increased when conversion of asset valuation to depreciation expense takes place. For this reason, it is important that depreciation is computed on all assets using realistic rather than extended life years of usefulness and proper salvage values. It is also very important that assets are converted from the acquisition account to the plant in service account and depreciation started on the first of the month following its being ready for service. The plant replacement increment income also increases available resources without a corresponding increase in liabilities. These charges should be accurately computed on all assets. The depreciation and plant replacement income also directly affect the Corps' ability to invest in new or replacement plant and equipment, since the Plant Replacement and Improvement Program (PRIP) is established based on the income from plant (depreciation plant replacement and sale of assets).

e. The PRIP execution, i.e., acquisition of assets, directly uses up resources available to the Revolving Fund. Care will be exercised to ensure that resources will be available prior to the procurement orders being signed for the *

7-31b

7-110b

- * acquisition of plant and equipment, and that the procurements are within the monetary authorization received by the FOA. What takes place is a conversion of liquid assets (Funds with Treasury) to a fixed asset, thereby decreasing the asset side in the current working capital ratio.

f. Another area which directly reduces resources available is the recording of undelivered orders. That is, procurement orders placed but not yet earned. Since these are liabilities, they increase the liability side only of the current working capital ratio. When undelivered orders are converted to expenditures, it has the effect of increasing available resources since there is a reduction of the undelivered order balance and both an increase in expenses (GL 415) and an increase in liabilities (GL 341). These latter two offset.

g. Costs charged to a deferred and undistributed account (GL 325.2) results in a reduction in Revolving Fund resources. These costs are applicable to future fiscal years. No receivable is established until the period that the charges are applicable to. Therefore, these items should be held to a minimum since they reduce budgetary resources without a like increase.

*

CHAPTER 8

PROJECT COST (SUBSIDIARY LEDGER) ACCOUNTS

<u>TOPIC</u>	<u>PARAGRAPH</u>
Introduction	8-1
General Instructions	8-2
a. Cost Account Requirements	
b. Contract and Hired Labor Costs	
c. General Ledger Control	
d. Flood Control, Mississippi River and Tributaries	
* e. Special and Trust Funds	
f. Revolving Fund	
g. Financing Reimbursable Damages to Civil Project Property	
General Investigations	8-3
a. Surveys (General Ledger Account 176)	
b. Collection and Study of Basic Data (General Ledger Account 174)	
c. Research and Development (General Ledger Account 175)	
d. Distributive Accounts	
* e. Clearing, Credit, Miscellaneous, and Reconciliation Accounts	
Construction, General	8-4
a. Chart of Permanent Features and Subfeatures	
b. Chart of Distributive, Miscellaneous, and Reconciliation Accounts	
c. Descriptions of Permanent Features and Subfeatures	
d. Descriptions of Distributive, Miscellaneous, and Reconciliation Accounts	
e. Work Order Cost Accounts - Permanent Features 01 thru 20	
f. Cost Subsidiary Accounts for Rehabilitation	
g. General Ledger Controls	
h. Completion Reports and Transfers from Construction Work In Progress	

*

8-i

8-0

ER 37-2-10
Change 23
21 Sep 73

TOPIC

PARAGRAPH

Flood Control and Coastal Emergencies

8-4.1

- a. Chart of Accounts for Emergency Activities Projects
- b. Descriptions of Accounts for Emergency Activities Projects
- c. Cost Subsidiary Accounts
- d. General Ledger Controls

Operations and Maintenance, General

8-5

- a. Chart of Accounts for Operations and Maintenance Projects
- b. Descriptions of Accounts
- c. Cost Subsidiary Accounts
- d. General Ledger Controls

General Expenses

8-6

- a. General Expenses Chart of Accounts (Other than Office, Chief of Engineers)
- b. Definitions of Accounts
- c. General Ledger Controls

Special Accounting Treatment for Multiple Purpose Projects

8-7

- a. General
- b. Applicability
- c. Timing of Transfers to Plant In Service - Multiple Purpose Projects
- d. Interest During Construction
- e. Interest Charged to Operations
- f. Depreciation and Amortization
- g. Cost and Investment Recovery
- h. Allocation of Actual Operation and Maintenance Expenses for Multiple Purpose Projects
- i. Capital Plant Accounting, Additions, Replacements, Major Repairs, and Betterments
- j. Composite Service Lives

Real Estate Administration

8-8

- a. Chart and Description of Real Estate Activity Cost Accounts
- b. Description of Real Estate Administration Cost Accounts
- c. Application of Cost to Accounts

TOPIC

- Illustration 8/1** Specimen Computation of Depreciation Expense on Interim Progressive Transfers to Plant In Service During Progressive In-service Period, Multiple Purpose Projects
- Illustration 8/2** Specimen Computation of Annual Depreciation Expense After Progressive In-service Period, Multiple Purpose Projects
- Illustration 8/3** Specimen Computation of Composite Service Life of a Feature or Subfeature
- APPENDIX 8-1** List of Plant Items and Retirement Units, with Service Lives, for Multiple Purpose Projects

CHAPTER 8

PROJECT COST (SUBSIDIARY LEDGER) ACCOUNTS

8-1. Introduction. This chapter prescribes the accounts and the procedures to be followed in maintaining cost accounts for Civil Works projects, investigations, studies, and other activities, excluding functions of the Washington Aqueduct (Chapter 12) and the Revolving Fund. The prescribed codes of accounts are established in conformance with the uniform cost accounting classification as shown in the current appropriation structure for civil functions. Cost accounts will be maintained for the purpose of accumulating cost data in such a manner as to meet the requirements for budgeting, programming, and reporting, and for use by operating personnel as a management control tool.

8-2. General Instructions.

a. Cost Account Requirements. Cost accounts will be maintained by project, class, or category of work under each appropriation structure in accordance with the uniform code of accounts prescribed herein. Cost accounts will be established within the uniform structure on the basis of programming documents and/or approved Work Orders, ENG Form 3013.

b. Contract and Hired Labor Costs. These costs will be recorded in the cost accounts separately for the purpose of cost analysis.

c. General Ledger Control. All cost accounts are subsidiary to and controlled by applicable General Ledger accounts as described in para 2-22. For work such as Emergency Activities, Operation and Maintenance, General Investigation activities, and General Expenses, cost accounts are controlled by one series of General Ledger accounts during the current fiscal year, and at the end of the fiscal year these costs are transferred to General Ledger Accounts 136.- Nonreimbursable Costs, or 137.1 Status of Cost Recovery - Reimbursable Costs - Results from Operations, as appropriate. During the design and construction period, feature cost accounts under all construction projects, and rehabilitation jobs which are to be capitalized upon completion under multiple purpose projects, are controlled by General Ledger Account 107 Construction Work In Progress. The total costs of completed construction work and applicable rehabilitation jobs will be transferred from the Construction Work In Progress account to the appropriate Plant In Service accounts in accordance with the principles prescribed hereinafter, while the advance engineering and design of projects which have been determined to be unfeasible will be

ER 37-2-10
Change 36
22 Mar 78

written off as nonreimbursable costs. Specific General Ledger accounts applicable, and procedures relating to transfers of fiscal year and completed work costs, are contained in this chapter under the paragraph covering each appropriation.

* d. Flood Control, Mississippi River and Tributaries. Projects financed from the appropriation 96X3112 Flood Control, Mississippi River and Tributaries will utilize the definitions of project classes and features provided for Construction, General (ER 11-2-240); Operations and Maintenance, General (Chapter 4, ER 11-2-101); and General Investigations (ER 11-2-220). No chart of cost codes or definition of accounts is provided; however, the cost account codes prescribed in this chapter for the above three mentioned appropriations will be maintained for Flood Control, Mississippi River and Tributaries projects. Cost accounts for construction, repair and restoration will be maintained in the same manner as for the appropriation Construction, General, described in paragraph 8-4 of this chapter, on ENG Form 3012, Work Order Cost Account, and will be subsidiary to the appropriate General Ledger accounts. Cost accounts will be maintained in accordance with budgeted items properly identified as to exact location of the work, such as mile of river, station, or island.

e. Special and Trust Funds. Unless otherwise provided, cost accounts will be maintained in accordance with instructions prescribed in this chapter for Construction, General, and for Operation and Maintenance, General, projects. The chart of cost accounts and definitions established for Construction, General and for Operation and Maintenance, General should be adapted as applicable, based upon the nature of work to be performed. *

f. Revolving Fund. The Revolving Fund, Corps of Engineers, provides funds primarily for acquisition, maintenance and operation of plant and equipment necessary for use on Civil Works projects, and for furnishing common services to all Civil Works activities. It also furnishes facilities and services for military functions of the Department of the Army, other Government agencies, and private organizations as authorized by law (see also Chapters 2, 6, and 7).

g. Financing Reimbursable Damages to Civil Project Property.

(1) The Comptroller General of the United States has ruled (B 129084) that the civil Revolving Fund may not be used to initially finance costs of repairs resulting from damage to civil project property when the repairs are reimbursable. The repair costs involved are those which stem from damages to the property for which the persons are monetarily responsible as a result of liability arising from the provisions of Section 14, River and Harbor Act, 3 March 1899, 30 Stat. 1152, 33 USC 408 and where the repairs are performed by the Government prior to receipt of funds from the parties responsible. Accordingly, such costs should be financed by project funds and treated as Claims Receivable pending reimbursement from the responsible parties. Accounting applicable to ^ -

appropriation Reimbursement Activity - Other Appropriation Reimbursement Activity, will commence at the time a Claims Receivable is reclassified as Accounts Receivable as prescribed in para 4-11.

(2) Where the costs of such repairs originate in the Revolving Fund because of performance through use of Revolving Fund facilities, the costs will be accrued monthly against project funds.

- * 8-3. General Investigations. The uniform feature, subfeature classifications under this appropriation are divided into five major categories as presented in subparagraphs a, b, c, d, and e below. Accounts will be maintained for each authorized study as applicable. *

a. Surveys (General Ledger Account 176).

- * (1) Four (4) feature accounts are maintained under this category as follows:

<u>Feature Nr.</u>	<u>Title</u>
501.--	Reconnaissance Phase Studies
502.--	Feasibility Phase Studies
506.--	Inventory of Dams and Coordination Studies with Other Agencies
* 509.--	Other Studies

(2) Feature numbers 501 and 502 are applicable to category, class, subclass numbers 110 thru 162 and 190 thru 196 only (Appendix 20-I). Feature number 506 is applicable to category, class, subclass numbers 170 thru 189 only. Feature number 509 is applicable to category, class, subclass numbers 163, 164, 166, 167, and 168 only.

(3) The subfeatures listed below must be maintained for feature numbers 501 and 502 (category, class, subclass numbers 110 thru 162 and 190 thru 196) and may be maintained for features 506 and 509, if applicable, based on local needs.

<u>Subfeature Number</u>	<u>Title</u>
.01	Public Involvement
.02	Institutional Studies
.03	Social Studies
.04	Cultural Resource Studies
.05	Environmental Studies Except Fish and Wildlife
.06	Fish and Wildlife Studies
.07	Economic Studies
.08	Surveying and Mapping

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature Number	Title
.09	Hydrology and Hydraulic Investigations
.10	Foundations and Materials Investigations
.11	Design and Cost Estimates
.12	Real Estate Studies
.13	Study Management
.14	Plan Formulation and Evaluation
.15	Report Preparation
* .20	Other Studies (Specify)
.3-	Supervision and Administration (S&A)
.31	Project Office S&A
.32	Area Office S&A
.33	District Office S&A

(4) All features prescribed for Surveys are controlled by General Ledger account 176 during the current fiscal year. At the end of each fiscal year, costs for the fiscal year will be transferred to General Ledger Account 136.3. Cumulative costs to date are to be readily determinable for each survey or study not completed during a fiscal year.

b. Collection and Study of Basic Data (General Ledger Account 174).

(1) One (1) feature account is maintained under this category as follows:

Feature Nr.	Title
507.--	Collection and Study of Basic Data

(2) Feature number 507 is applicable to category, class, subclass numbers in the 2-- series only. The subfeatures listed in paragraph 8-3 a(3) above may be maintained for this feature, if applicable, based on local need.

(3) Current fiscal year costs are controlled by General Ledger Account 174. At the end of each fiscal year, the balance will be transferred to General Ledger Account 136.3.

c. Research and Development (General Ledger Account 175).

(1) At the present time, only one feature is maintained under this category.

Feature Nr.	Title
508.--	Research and Development

*

(2) Feature number 508 is applicable to category, class, subclass numbers in the 3-- series (Appendix 20-1) only. Subfeatures listed in paragraph 8-3a(1) above are not required but may be maintained, if applicable, based on local need.

(3) Current fiscal year costs are controlled by General Ledger Account 175 during the fiscal year. At the end of each fiscal year the balance will be transferred to General Ledger Account 136.3.

d. Planning and Engineering (General Ledger Account 107).

(1) Three features are maintained under this category as follows:

<u>Feature Nr.</u>	<u>Title</u>
503.--	Continuation of Planning and Engineering Studies
504.--	Planning and Engineering Under Proposed Legislation (Future Use)
505.--	Advance Engineering and Design

(2) Feature 503 is applicable to category, class, subclass numbers 400 thru 460 only. Feature number 504 is applicable to category, class, subclass numbers 500 thru 560 only. Feature number 505 is applicable to category, class, subclass numbers in the 600 series only.

(3) The subfeatures listed below will be maintained for feature numbers 503, 504 and 505 as applicable.

<u>Subfeature Number</u>	<u>Title</u>
.3-	Supervision and Administration (S&A)
.31	Project Office S&A
.32	Area Office S&A
.33	District Office S&A
.4-	Planning
.41	Contractor Earnings
.42	Supervision and Review
.43	Damages Assessed Contractors (CR)
.44	Hired Labor - This District
.45	Other Districts
.46	Other Government Elements
.47	RESERVED
* .48	RESERVED
.49	Real Estate Activities - Local Cooperation Compliance by Local Interests

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Title

.5-	Engineering
.51	Contractors' Earnings
.52	Supervision and Review
.53	Damages Assessed Contractors (Cr)
.54	Hired Labor - This District
.55	Other Districts
.56	Other Government Elements
.57	RESERVED
* .58	RESERVED
.59	Real Estate Activities - Local Cooperation - Compliance by Local Interests
.6-	Real Estate Expenses
.61	Real Estate Planning Expenses
.62	Real Estate Appraisals, Staff
.63	Real Estate Appraisals, Contract

e. Miscellaneous. The features listed below will be maintained as required. General Ledger accounts applicable to these features are indicated following the feature titles.

Feature
Number

Title

536.1	Prepayments to Other Government Agencies (GL 116.1)
539.-	Unapplied Advances for Accrued Costs (GL 107)

f. Feature, Subfeature Descriptions. Descriptions of the features and subfeatures prescribed for use under this appropriation are presented in ER 11-2-220. Descriptions for those features and subfeatures which have not been incorporated into ER 11-2-220 are presented below.

Feature
Number

Feature Title and Description

501.	<u>Reconnaissance Phase Studies (GL 176)</u> . This feature includes all costs associated with Reconnaissance Phase Studies conducted to provide preliminary indications as to the potential of the study to yield solutions which could be recommended to Congress as Federal projects and/or to provide non-Federal interests sufficient information to determine whether to participate in a follow-on feasibility phase study.
------	--

8-5a

* Feature
Number

Feature Title and Description

502. Feasibility Phase Studies (GL 176). This feature includes all costs associated with feasibility phase studies conducted to provide data for decision making purposes on plans to solve water resource problems.
503. Continuation of Planning and Engineering (CP&E). This feature includes those preconstruction activities accomplished subsequent to the division commander's recommendation of a project for authorization. The purpose of the CP&E program is to ready selected high priority projects recommended by the division commanders for construction authorization as quickly and efficiently as possible. These activities are predominantly engineering. All engineering and attendant requirements, except plans and specifications, can be accomplished under CP&E. CP&E may continue until one of the following occurs:
- (a) All engineering necessary to ready the project for preparation of plans and specifications has been completed.
 - (b) The division commander's recommendation for authorization is reversed during the review process.
 - (c) The report representing a final response to the study authority is transmitted to Congress.
 - (d) The project is authorized for construction.
505. Advance Engineering and Design (AE&D). This feature includes preconstruction activities for projects authorized for construction, but prior to receipt of project construction funds. All engineering, through plans and specifications for construction of a major component or portion of the project scheduled for construction in the first year, can be accomplished under AE&D.
- 536.1 Prepayments to Other Government Agencies (GL 116.1). This feature reflects the status of advance payments made to another agency. Separate accounts are maintained for each agency. It will be debited with the amount of the advance made and credited with the value of property or services received. It will also be credited with any unused advances returned by the agency.

*

ER 37-2-10
Change 54
28 Feb 85

* Feature
Number

Feature Title and Description

539.

Unapplied Advances for Accrued Costs (GL 107, 174, 175, and 176. This feature will be debited with the estimated end-of-month cost distributions representing payments due to other appropriations or projects and credited with the estimated cost distributions representing amounts due from other appropriations or projects. Separate accounts will be maintained for each project to which accrued cost distributions are charged or credited. Prior to closing cost accounts for the month, these amounts will be debited with the actual cost distributions due from and credited with actual cost distributions due to each applicable project. This feature will either be closed out at the beginning of the following month or remain open and the balance taken into consideration in arriving at the estimate cost distributions to be recorded at the end of the following month.

Subfeature
Number

Subfeature Title and Description

.3-

Supervision and Administration. This subfeature includes all supervision and administration costs related to the feature that it supports. Includes both costs directly chargeable against the job and overhead and other indirect costs which cannot be directly related or allocated to other subfeatures. This subfeature will be subdivided as follows:

- .31 Project Office S&A
- .32 Area Office S&A
- .33 District Office S&A

.4-

Planning. This subfeature includes the cost of those activities assigned to planning elements at FOA and headquarters levels in accordance with ER 10-1-3, including those efforts necessary to develop a pre-authorization study to the point of the division commander's public notice as well as activities after authorization in support of engineering activities. Included are authorization reports, post-authorization change reports, environmental impact statements and support documents after authorization. This subfeature is subdivided as follows.

*

8-5c

* Subfeature
Number

Subfeature Title and Description

- .41 Contractor Earnings. Includes contractors' earnings (including applicable fixed fees) for design engineering services performed under Title I of AE contracts and for soils investigations, test borings, soils tests, etc., under other contracts; and the cost of materials, supplies, equipment, and services furnished by the Government without charge to such contractors.
- .42 Supervision and Review (SR). This subfeature includes costs incurred by Government forces technical staff in connection with civil works design performed by contract after the initial decision to perform such work by contract such as pre-award activities in development of criteria, negotiating and awarding design contracts, preparation of design contract documents, etc., and post-award activities such as technical administration, supervision, and verification of contract E&D, including, where appropriate, reproduction of bid documents. This subfeature also includes all costs associated with review of and effort involved in commenting on and resolving contract work.
- .43 Damages Assessed Contractors (Cr). This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the contracting officer against engineering and design contractors for failure to complete work within the time specified by the contract. The balance will be treated as an offset against costs in subfeature .42 above and not as a reduction in contractor's earnings.
- .44 Hired Labor - This District. This subfeature includes all engineering and design performed in-house by Government forces assigned to the field operating activity having primary responsibility for project execution with the exception of those costs properly chargeable to subfeatures .41, .42, and .43. Also, includes the review of design effort of construction contractors.
- .45 Other Districts. This subfeature includes all engineering and design performed by Corps of Engineers forces assigned to a Corps field operating activity other than the one having primary responsibility for project execution. Includes all in-house engineering and design

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- .45 con-
tinued: services purchased from another Corps field operating activity on a reimbursable basis with the exception of those costs properly chargeable to subfeatures .41, .42 and .43. Also, includes the review of design effort of construction contractors by "Other Districts."
- .46 Other Governmental Elements. This subfeature includes all engineering and design performed by a Governmental Element outside the Corps of Engineers. This subfeature will reflect all costs related to engineering and design purchased from another Government Element (MIPR, Interagency Agreements, etc.).
- .47 RESERVED
- * .48 RESERVED
- .49 Real Estate Activities - Local Cooperation - Compliance by Local Interests. This subfeature includes costs incurred by real estate activities on projects where no Government land acquisition is involved. Charges will include Government costs, in connection with lands required to be furnished by local interests, such as records search, appraisals, and field inspections to assure compliance by local interests in the provision of local requirements for a project.
- .5- Engineering. This subfeature includes the cost of those activities assigned to engineering elements at field operating activities (FOA) and headquarters levels in accordance with ER 10-1-3, including those efforts necessary to develop the general and feature design memoranda, plans and specifications and other similar documents prepared after the division commander's recommended project authorization document, as well as activities prior to authorization in support of planning activities. This subfeature is subdivided as follows.

* Subfeature
Number

Subfeature Title and Description

- .51 Contractor Earnings. Includes contractors' earnings (including applicable fixed fees) for design engineering services performed under Title I of AE contracts and for soils investigations, test borings, soils tests, etc., under other contracts; and the cost of materials, supplies, equipment, and services furnished by the Government without charge to such contractors.
- .52 Supervision and Review (SR). This subfeature includes all costs incurred by Government forces technical staff in connection with civil works design performed by contract after the initial decision to perform such work by contract such as pre-award activities in development of criteria, negotiating and awarding design contracts, preparation of design contract documents, etc., and post-award activities such as technical administration, supervision, and verification of contract E&D, including, where appropriate, reproduction of bid documents. This subfeature also includes all costs associated with review of and effort involved in commenting on and resolving contract work.
- .53 Damages Assessed Contractors (Cr). This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the contracting officer against engineering and design contractors for failure to complete work within the time specified by the contract. The balance will be treated as an offset against costs in subfeature .42 above and not as a reduction in contractor's earnings.
- .54 Hired Labor - This District. This subfeature includes all engineering and design performed in-house by Government forces assigned to the field operating activity having primary responsibility for project execution with the exception of those costs properly chargeable to subfeatures .41, .42, and .43. Also, includes the review of design effort of construction contractors.
- .55 Other Districts. This subfeature includes all engineering and design performed by Corps of Engineers forces assigned to a Corps field operating activity other than the one having primary responsibility for project execution. Includes all in-house engineering and design *

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- .55 con-
tinued: services purchased from another Corps field operating activity on a reimbursable basis with the exception of those costs properly chargeable to subfeatures .41, .42, and .43. Also, includes the review of design effort of construction contractors by "Other Districts."
- .56 Other Governmental Elements. This subfeature includes all engineering and design performed by a Governmental Element outside the Corps of Engineers. This subfeature will reflect all costs related to engineering and design purchased from another Governmental Element (MIPR, Interagency Agreements, etc.).
- .57 RESERVED
- * .58 RESERVED
- .59 Real Estate Activities - Local Cooperation - Compliance by Local Interests. This subfeature includes costs incurred by real estate activities on projects where no Government land acquisition is involved. Charges will include Government costs, in connection with lands required to be furnished by local interests, such as records search, appraisals, and field inspections to assure compliance by local interests in the provision of local requirements for a project.
- .6- Real Estate Expenses. This subfeature includes all Real Estate expenses associated directly with the planning and engineering feature as subdivided below.
- .61 Real Estate Planning Expenses. Includes all costs, except appraisal effort, directly associated with real estate planning, including preparation of real estate data, real estate planning reports and supplements

* Subfeature
Number

Subfeature Title and Description

- .61 con- thereto, preparation of site reports, etc. Also,
tinued: includes all costs related to efforts of Real Estate
personnel in obtaining Title Evidence and/or Ownership
data and preparing maps, and surveys.
- .62 Real Estate Appraisals, Staff. Includes the cost of all
effort of staff appraisers involved in completing
appraisal reports such as inspecting the subject
property, compiling and analyzing market, cost and income
data, reviewing court house records, obtaining necessary
information from other Government agencies, preparing
appraisal exhibits and appraisal review.
- .63 Real Estate Appraisals, Contract. Includes all costs
associated with effort by Contractor personnel involved
in completing appraisal reports. Also, includes costs
associated with appraisal review and each contract or
purchase order for appraisal services such as inspection
of property and comparable sales, review and/or
inspection of comparative, income, and cost information,
selection of potential contract appraisers, negotiation
of contracts and contract administration, and provision
of technical assistance and advice to contract
appraisers.

*

ER 37-2-10
Change 56
15 Aug 85

- 571. Interest Expense (GL 107).
- 571.1 Undistributed Interest During Construction.
- 588. Transfers from Work-in-Progress (CR) (GL 107).
- 590. Expenditures - Prior Years (GL 131.241).
- 591. Transfers of Cost of Property (Net) (GL 133.11).
- 591.1 Other Transfers.
- 592. Interest on Government Investment (CR) (GL 134).

8-4. Construction, General. The uniform feature, subfeature, and other cost account classifications under this appropriation consist of two general groups, i. e., (1) Permanent Features, and (2) Distributive, Miscellaneous, and Reconciliation Accounts. Under Permanent Features classification are recorded (1) the cost of all permanent construction features of the project and lands, damages, and relocations required for completion of the project, and (2) costs for major and minor rehabilitation when financed with Construction, General appropriation. Also to be accounted for as separate features for the entire project during the construction period, and reported as single line items on programming documents and cost reports, are the items of Engineering and Design, and Supervision and Administration. However, the costs recorded under these two features are distributed to other permanent features prior to transfer of Construction Work In Progress to Plant In Service, as prescribed hereinafter. The uniform classification with descriptions and procedures to be followed in establishing accounts and recording costs for construction projects, and appropriation reimbursement activity-reimbursable work, and relation to general ledger control accounts, follows:

a. Chart of Permanent Features and Subfeatures, (General Ledger Accounts 107 and 171).

*	Feature Number	Title
	01.-	LANDS AND DAMAGES
		<u>Real Estate Activity Expense</u>
	01.0-	Project Planning
	01.01	Pre-Authorization
	01.02	Post-Authorization
	01.03	Attorneys' Opinion of Compensability
	01.10	Acquisition
*	01.11	Mapping, Survey and Tract Ownership
	01.12	Title Evidence
	01.13	Negotiations and Closings
	01.14	Condemnation (Pre-DT Filing)
	01.20	Condemnation (Post-DT Filing)

*

* Subfeature Number	Title
01.3-	Appraisals
01.31	Staff Appraisals
01.32	Contract Appraisals
01.40	Audits
01.50	Relocation Assistance (PL 91-646)
01.60	Disposals
01.70	Temporary Permits
01.80	Encroachments
01.9-	Real Estate Receipts/Payments
01.91	Disposal Receipts - Reimbursements (CR) - Lands
01.92	Disposal Receipts - General Fund (CR) - Lands
01.93	Land Payments
01.94	Relocation Assistance Payments (PL 91-646)
01.95	Damage Payments
02.-	RELOCATIONS
	<u>Roads (Including Bridges)</u>
02.01	Pre-Authorization Planning
02.02	Post-Authorization Planning
02.03	Attorneys' Opinion of Compensability
* 02.04	Reserved
02.05	Staff Appraisals
02.06	Contract Appraisals
02.07	Condemnation (Post-DT Filing)
02.08	Relocation Assistance (PL 91-646)
02.09	Disposals
02.10	Temporary Permits
02.11	Audits
02.12	Land Payments
02.13	Relocation Assistance Payments (PL 91-646)
02.14	Damage Payments
02.15	Mapping, Surveying and Tract Ownership
02.16	Title Evidence
02.17	Negotiations and Closings
02.18	Condemnation (Pre-DT Filing)

*

ER 37-2-10
Change 56
15 Aug 85

* Subfeature
Number

Title

Railroads (Including Bridges)

02.41	Pre-Authorization Planning
02.42	Post-Authorization Planning
02.43	Attorneys' Opinion of Compensability
02.44	Reserved
02.45	Staff Appraisals
02.46	Contract Appraisals
02.47	Condemnation (Post-DT Filing)
02.48	Relocation Assistance (PL 91-646)
02.49	Disposals
02.50	Temporary Permits
02.51	Audits
02.52	Land Payments
02.53	Relocation Assistance Payments (PL 91-646)
02.54	Damage Payments
02.55	Mapping, Surveying and Tract Ownership
02.56	Title Evidence
02.57	Negotiations
02.58	Condemnation (Pre-DT Filing)

Cemeteries, Utilities, and Structures

02.71	Pre-Authorization Planning
02.72	Post-Authorization Planning
02.73	Attorneys' Opinion of Compensability
02.74	Reserved
02.75	Staff Appraisals
02.76	Contract Appraisals
02.77	Condemnation (Post-DT Filing)
02.78	Relocation Assistance (PL 91-646)
02.79	Disposals
02.80	Temporary Permits
02.81	Audits
02.82	Land Payments
02.83	Relocation Assistance Payments (PL 91-646)
02.84	Damage Payments
02.85	Mapping, Surveying and Tract Ownership
02.86	Title Evidence
02.87	Negotiations and Closings
02.88	Condemnation (Pre-DT Filing)

*

Account
Number

Title

NOTE: For the purpose of identifying and recording Relocation Costs on Construction Activities under Feature account 02, the following series of numbers will be used for Subfeatures (subaccounts):

32 thru 39 - Use for Construction Costs on Roads
62 thru 69 - Use for Construction Costs on Railroads
92 thru 99 - Use for Construction Costs on Cemeteries,
Utilities, and Structures

Items which may be used for Subfeatures (subaccounts) for Construction Activities:

02.--	02.--	02.--	
<u>Roads</u>	<u>Railroads</u>	<u>Cemeteries, Utilities & Structures</u>	
32	62	92	Completed Work or cost requiring no further breakdown
33	63	93	Government Furnished Materials and Equipment
34	64	94	Credits for Salvage Material
35	65	95	As-built Drawings by Government Forces
36	66	96	Surveys and Layouts
37	67	97	Distributive Costs
38	68	98	(Other - Specify)
39	69	99	(Other - Specify)

Account
Number

Title

03.	RESERVOIRS
04.-	DAMS AND OTHER WATER COLLECTING FACILITIES
04.1	Main Dam
04.2	Spillway
04.3	Outlet Works (Exclusive of Power)
04.4	Power Intake Works
04.5	Auxiliary Dams
04.6	Municipal and Industrial Water Delivery Facilities
05.	LOCKS

ER 37-2-10
Change 53
29 Nov 84

Account
Number

Title

06. FISH AND WILDLIFE FACILITIES

07.- POWER PLANT

07.1 Powerhouse

07.2 Turbines and Generators

Switchyard Accessory and Miscellaneous Equipment, Tailrace

07.3 Accessory Electrical Equipment

07.4 Miscellaneous Power Plant Equipment

07.5 Tailrace

07.6 Switchyard

08. ROADS, RAILROADS, AND BRIDGES

8-10 (next page is 8-14)

* Feature Number	Title
09.	CHANNELS AND CANALS
10.	BREAKWATERS AND SEAWALLS
11.	LEVEES AND FLOODWALLS
13.	PUMPING PLANTS
14.	RECREATIONAL FACILITIES
15.	FLOODWAY CONTROL AND DIVERSION STRUCTURES
16.	BANK STABILIZATION
17.	BEACH REPLENISHMENT
18.	CULTURAL RESOURCES PRESERVATION
19.	BUILDINGS, GROUNDS, AND UTILITIES
20.	PERMANENT OPERATING EQUIPMENT
30.-	ENGINEERING AND DESIGN
	<u>Design By Contract</u>
30.1	Contractors' Earnings and Government Furnished Property (GFP)
* 30.2	Engineering Supervision and Review (SR)
30.3	Damages Assessed E&D Contractors (Cr)
	<u>Design By Government Forces</u>
30.4	This District

* <u>Account Number</u>	<u>Title</u>
30.5	Other Districts
30.6	Other Governmental Elements
30.7	Reconnaissance and Detailed Project Reports
30.8	Value Engineering by Government Forces - Prior to 1 Mar 1969
30.9	E&D - Real Estate Activities - Local Cooperation - Compliance by Local Interests
31.-	SUPERVISION AND ADMINISTRATION
31.1-	Project Office Costs
31.11	Review of Shop Drawings
31.12	Other Project Office Costs
31.2-	Area Office Expenses
31.21	Review of Shop Drawings
31.22	Other Supervision and Inspection
31.29	Area Overhead
31.3-	District Office Expenses
31.31	Review of Shop Drawings
31.32	Other Supervision and Inspection
31.4-	District Overhead
31.41	District Overhead - Engineer- ing - S&A on Contract
31.42	District Overhead - Engineer- ing - All Other
31.43	District Overhead - Real Estate

*

ER 37-2-10
Change 56
15 Aug 85

Feature
Number

Title

31.45 District Overhead - Construction - S&A on Contract

31.46 District Overhead - Construction - All Other

31.5 Expenses Billed by Other Offices

*

31.6 Damages Assessed Other than E&D Contractors (Cr)

31.7 Real Estate Activities - Disposals - S&A

b. Chart of Distributive, Miscellaneous, and Reconciliation
Features (General Ledger Control Accounts are indicated below):

36.1 Prepayments to Other Government Agencies (GL 116.1)
36.2 (Reserved)

36.3 Other Advances (GL 116.3)

36.4 Real Estate - Relocation Assistance - Loans to
Profit or Nonprofit Organizations Under
PL 91-646 (GL 116.4)

38.1 Work In Progress for Others - Refunds (GL 117, 1)

38.2 Work In Progress for Others - Appropriation
Reimbursement Activity (GL 117.2)

* 38.3 Work In Progress for Other Districts -
Reimbursable (GL 117.3)

<u>Account Number</u>	<u>Title</u>
39.	UNAPPLIED ADVANCES FOR ACCRUED COST (GL 107, 171)
40.	UNDISTRIBUTED JOB-SITE LABOR (GL 107, 171)
41.	STORES (GL 107, 171)
42.	UNAPPLIED PAYMENTS TO CONTRACTORS (GL 107, 171)
49.	CLAIMS RECEIVABLE (GL 114)
50.-	CONSTRUCTION FACILITIES (GL 107, 171)
50.1	Assets (Identify by major assets)
50.4-	Asset Disposal Expense
50.49	Real Estate - Disposals
50.5	Operation and Maintenance Expense, except Warehouse Operation (Acct 50.7-) (Identify by asset or purpose)
50.7	Warehouse Operation
	<u>Income - (Credit Accounts)</u>
50.8	Repayments and Cost Distributions
50.9	Miscellaneous Receipts
51.-	OPERATION AND MAINTENANCE EXPENSE DURING CONSTRUCTION (GL 107)
	<u>Expense</u>
51.1-	Real Estate - Leasing Program
* 51.12	Inleasing - Non-Recruiting Facilities
51.13	Relocation Assistance
51.14	Disposals Assistance
51.15	Relocation Assistance Payments (PL 91-646)
51.16	Rents, Initial Alterations and Restorations

*

ER 37-2-10
Change 53
29 Nov 84

<u>Account Number</u>	<u>Title</u>	
* 51.2-	Real Estate Management Services	
51.21	Compliance Inspections - Major	
51.22	Compliance Inspections - Minor	
51.23	Utilization Inspections - Major	
51.24	Utilization Inspections - Minor	
51.25	Outgrants - Major	
51.26	Outgrants - Minor	
51.3-	Other Operation and Maintenance Expenses	
51.4-	Revenues Derived from Outleasing (Grants) Returned to States	
51.5-	Audits	
51.6-	Timber Harvests	*
	<u>Income (Credit Accounts)</u>	
51.8	Repayments and Cost Distributions	
51.9-	Miscellaneous Receipts	
51.91	Real Estate Management Income	
51.92	Other Income	
52.	SURVEYS AND LAYOUTS (GL 107, 171)	
53.	REAL ESTATE ADMINISTRATIVE ACTIVITIES (GL 107, 171)	

* <u>Account Number</u>	<u>Title</u>	*
61.	PROVISION FOR DEPRECIATION, AND AMORTIZATION, PLANT IN SERVICE (Cr) (GL 102)	
65. -	PLANT, PROPERTY, AND EQUIP- MENT IN PROCESS OF RETIRE- MENT (GL 108.1)	
71. -	INTEREST EXPENSE	
71.1	Undistributed Interest During Construction (GL 107)	
71.2	Interest Expense (Rehab-Gross) (GL 171)	
71.3	Interest Expense (Rehab) Charged to Construction (Cr) (GL 171)	
72.	(RESERVED)	
73.	(RESERVED)	
78.	WORK IN PROGRESS TRANSFERRED TO PLANT IN SERVICE (GL 101) (Reserved for COEMIS)	
80. -	INCOME AND CREDITS TO OPERA- TIONS - REHABILITATION	
80.4-	Retirement Receipts - Multiple Purpose Projects (Cr) (GL 108.3)	
80.41	Fee Land	
80.42	Buildings and Improvements	
80.43	Other Disposal Receipts	
87.	ABANDONED AND RETIRED PROPERTY (Other than Multiple Purpose Projects) (GL 132)	
88.	TRANSFERS FROM WORK IN PROGRESS (Cr) (GL 107) (Reserved for COEMIS)	
89.	NON-FUNDED CONTRACTOR'S EARNINGS (GL 142)	

ER 37-2-10
Change 48
30 Dec 82

<u>Account Number</u>	<u>Title</u>
90.	EXPENDITURES - Prior Years (GL 131.241)
91.-	TRANSFERS OF COST OR PROPERTY (Net) (GL 133.11)
91.1	(Reserved)
91.2	Cther Transfers (GL 133.11)
91.3	Payments to States (GL 133.11)
91.4	(Reserved)
92.	INTEREST ON GOVERNMENT INVESTMENT (GL 134)
93.	INCOMPLETE REHABILITATION WORK (Cr) (GL 107 or 171) (Reserved for COEMIS)
94.	FUNDS RETURNED TO U. S. TREASURY BY CORPS OF ENGINEERS (Dr) (GL 113.1, 135.1)
95.	FUNDS RETURNED TO U. S. TREASURY BY OTHER GOVERNMENT AGENCIES (Dr) (GL 113.1, 135.2)
96.-	NON-REIMBURSABLE COSTS
96.1	Operation and Maintenance (GL 136.11)
96.2	Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (GL 136.6)
97.-	STATUS OF COST RECOVERY - REIMBURSABLE COSTS
97.1	Results from Operations (GL 137.1)
97.2	Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (GL 137.2)
* 97.3	Investment Recovery on Non- Multiple Purpose Projects (GL 137.3)

8-4b

8-20

<u>* Feature Number</u>	<u>Title</u>
98.	ADVANCES RECEIVED FOR CONSTRUCTION (Cr) (GL 143)
99.	CONTRIBUTIONS IN AID OF CONSTRUCTION (Cr) (GL 138.1)

c. Descriptions of Permanent Features and Subfeatures (General Ledger Accounts 107, and 171). The general feature descriptions as contained in ER 11-2-240, will be utilized in the establishment and maintenance of cost accounts under authorized civil works advance design, construction, and rehabilitation projects. Additional feature and subfeature descriptions are presented below:

<u>Feature Number</u>	<u>Feature Title and Description</u>
01.- thru 01.92	<u>Lands and Damages.</u> Acquisition costs chargeable to the subdivisions of this feature will be maintained for each project and construction job for which real estate acquisition is performed.
01.0-	<u>Project Planning.</u>
01.01	<u>Pre-Authorization Planning.</u> Includes all costs, except appraisal effort, directly associated with real estate planning during pre-authorization stages of a project, including preparation and review of real estate data in survey reports, feasibility studies, etc.; preparation of real estate planning reports and supplements thereto; preparation of site reports; etc.
01.02	<u>Post-Authorization Planning.</u> Includes all costs, except appraisal effort, directly associated with real estate planning during post-authorization stages of a project, including preparation of real estate design memoranda and supplements thereto; preparation and review of real estate data in master plans, supplements and appendices; preparation of cemetery relocation plans; survey of potential replacement housing (PL 91-646); public meetings; etc.
01.03	<u>Attorneys' Opinions of Compensability.</u> Includes all costs associated with the preparation of attorneys' opinion of compensability incorporated in relocations design memoranda.

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 01.10 Acquisition. Includes all costs (except leasehold, local cooperation agreements and temporary permits) including both staff and contractual services, directly incident to acquisition of real property and interests therein by purchase, condemnation, donation, exchange, reassignment transfer from other Federal agencies, permits, etc.
- 01.11 Mapping and Surveying, and Tract Ownership Data. Includes all costs in connection with tract ownership data, surveys, writing descriptions, and mapping for real estate acquisition purposes.
- 01.12 Title Evidence. Includes all costs in connection with obtaining title evidence.
- 01.13 Negotiations and Closings. Includes all costs in connection with all negotiations conducted for acquisition of real property or interest therein by purchase, donation, exchange, reassignment or transfer; closing land purchase cases; title curative work; recordings of deeds, etc.; delivery of checks to landowners; preparation of attorneys' final opinions; negotiating relocation agreements; obtaining rights of entry for construction, and filing claims for water rights.
- 01.14 Condemnation (Pre-DT Filing). Includes all costs in connection with preparation of condemnation assemblies, including declarations of taking and the processing thereof, up to and including the filing of the case.
- 01.20 Condemnation (Post-DT Filing). Includes all costs involved in completing condemnation cases such as court exhibits, preparation for trials, testifying, stipulated settlement proposals, revestment actions, and other assistance to the Department of Justice.
- * 01.3- Appraisals.

* Subfeature
Number

Subfeature Title and Description

- 01.31 Staff Appraisals. Includes the cost of all effort of staff appraisers involved in completing appraisal reports such as inspecting the subject property, compiling and analyzing market, cost and income data, reviewing court house records, obtaining necessary information from other Government agencies, preparing appraisal exhibits and appraisal review. Includes appraisals for the following purposes: acquisition disposal, outgranting, mineral reports, timber cruises, gross appraisals, damage claims, homeowners assistance, planning, market analysis/feasibility reports.
- 01.32 Contract Appraisals. Includes all costs associated with effort by contractor personnel involved in completing appraisal reports. Also, includes costs associated with appraisal review and each contract or purchase order for appraisal services such as inspection of property and comparable sales; review and/or inspection of comparative income, and cost information; selection of potential contract appraisers; negotiation of contracts and contract administration; and provision of technical assistance and advice to contract appraisers.
- 01.40 Audits. Includes all cost related to the preparation of real estate audit assemblies such as verification and authentication, by tract, each real estate activity required in connection with acquisition, relocation, extinguishment of outstanding rights, land interchange, acquisition or subordination of third party interests, deficiency awards, disposal, etc.
- 01.50 Relocation Assistance (PL 91-646). Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.
- 01.60 Disposals. Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes environmental, historical and archaeological review, survey, and recommendation; preparation of maps, screening, advertising or waiver

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.

- 01.70 Temporary Permits. Includes all costs incident to obtaining real estate use rights by permit, etc., for conducting military maneuvers, surveys, exploration and other short-term use. Includes procurement of ownership data, mapping, legal descriptions, negotiations, and the filing of condemnation, if necessary. Also, includes damage settlements thereunder.
- 01.80 Encroachments. Includes all costs, including contractual services, involved in resolving encroachments on project lands. An encroachment is defined as a permanent or semi-permanent structure or improvement placed on project lands or easement areas without authority. The foregoing include field investigations, surveys associated with individual encroachment cases, negotiating agreements and processing of conveyance instruments for execution, preparation of boundary line agreements, preparation of reports of litigation, providing information to and assisting the Department of Justice and/or the U. S. Attorneys.
- (Note: All costs for resolved encroachments will be reported on this line, not with the associated method which ultimately cured the encroachment.)
- 01.9- Real Estate Disposal Receipts.
- 01.91 Disposal Receipts - Reimbursements (Cr) Lands. This subfeature is credited with income from sales of buildings and improvements in place at time of acquisition when sold separately from the land, and income from sales of standing timber and crops resulting from the original clearing of the land. This subfeature will also be credited with income from sales of salvage from improvements and cut timber and harvested crops resulting from the original clearing of the land. *

8-22b

* Subfeature
Number

Subfeature Title and Description

Receipts from such sales are credited to project funds as appropriation reimbursements. Income from sales of buildings, crops, etc., sold with the land will be credited to Subfeature 01.92 and Feature 94 or 95 will be charged.

01.92 Disposal Receipts - General Fund (Cr) - Lands. This subfeature will be credited with income from sales during the construction period of excess land, including standing timber and crops, structures in place at time of acquisition, which by law are required to be covered into the General Fund of the Treasury as miscellaneous receipts, and Feature 94 or 95 will be charged.

01.93 Land Payments. Payments made for negotiated purchase of real property or interest therein; transfers from other Government agencies with reimbursements; payments to U.S. District Courts for acquisition by Declaration of Taking (D/T), including deficiency judgments, interest payments, stipulated settlements, and judgments in straight condemnation; payments to local interests as reimbursement for rights-of-way, and costs and expenses arising under Sections 303 and 304, PL 91-646; dollar costs at time negotiated offer (option) accepted; check issued for filing of D/T or payment of deficiency; or reimbursement to other agencies.

01.94 Relocation Assistance Payments (PL 91-646). Payments to owners and tenants for relocation expenses and other losses and damages incurred as a direct result of moving occasioned by acquisition of land, other payments or expenses incurred under Sections 205, 206, and 215, PL 91-646. Dollar costs are to be shown as of the time payments accrue.

01.95 Damage Payments. Payments for claims arising from use and occupancy of real property in and to which fee, easements, or lesser interests were not acquired; payments for damage settlements under rights of entry. Dollar costs are to be shown as of the time payments accrue.

*

ER 37-2-10
Change 56
15 Aug 85

Feature
Number

Feature Title and Description

02.- RELOCATIONS. This cost feature is divided into three subfeatures - Roads (Including Bridges) (02.0- thru 02.1-); Railroads (Including Bridges) (02.4- thru 02.5-) and Cemeteries, Utilities and Structures (02.7- thru 02.8-). Additional subfeature breakdown and descriptions of subfeatures and other accounts are contained herein below.

Roads (Including Bridges)

02.01 Pre-Authorization Planning. Includes all costs, except appraisal effort, directly associated with real estate planning during pre-authorization stages of a project, including preparation and review of real estate data in survey reports, feasibility studies, etc.; preparation of real estate planning reports and supplements thereto; preparation of site reports; etc.

02.02 Post-Authorization Planning. Includes all costs, except appraisal effort, directly associated with real estate planning during post-authorization stages of a project, including preparation of real estate design memoranda and supplements thereto; preparation and review of real estate data in master plans, supplements and appendices; preparation of cemetery relocation plans; survey of potential replacement housing (PL 91-646); public meetings; etc.

02.03 Attorneys' Opinions of Compensability. Includes all costs associated with the preparation of attorneys' opinion of compensability incorporated in relocations design memoranda.

* 02.04 (Reserved)

Subfeature
Number

Subfeature Title and Description

(b) Title Evidence. Costs in connection with obtaining title evidence.

(c) Negotiations and Closings. Costs in connection with all negotiations conducted for acquisition of real property or interests therein by purchase, donation, exchange, reassignment or transfer; closing land purchase cases; title curative work; recordings of deeds, etc.; delivery of checks to landowners; preparation of attorneys' final opinions; negotiating relocation agreements; obtaining rights of entry for construction, and filing claims for water rights.

(d) Condemnation. Costs in connection with preparation of condemnation assemblies, including declarations of taking and the processing thereof up to and including the filing of the case.

02.05

Staff Appraisals. Includes the cost of all effort of staff appraisers involved in completing appraisal reports such as inspecting the subject property, compiling and analyzing market, cost and income data, reviewing court house records, obtaining necessary information from other Government agencies, preparing appraisal exhibits and appraisal review. Includes appraisals for the following purposes: acquisition disposal, outgranting, mineral reports, timber cruises, gross appraisals, damage claims, homeowners assistance, planning, market analysis/feasibility reports.

02.06

Contract Appraisals. Includes all costs associated with effort by contractor personnel involved in completing appraisal reports. Also, includes costs associated with appraisal review and each contract or purchase order for appraisal services such as inspection of property and comparable sales; review and/or inspection of comparative income, and cost information; selection of potential contract appraisers; negotiation of contracts and contract administration; and provision of technical assistance and advice to contract appraisers.

* 02.07

Condemnation (Post-DT Filing). Includes all costs involved in completing condemnation cases such as court exhibits, preparation for trials, testifying, stipulated settlement proposals, revestment actions, and other assistance to the Department of Justice.

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 02.08 Relocation Assistance (PL 91-646). Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.
- 02.09 Disposals. Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes environmental, historical and archaeological review, survey, and recommendation; preparation of maps, screening, advertising or waiver thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.
- 02.10 Temporary Permits. Includes all costs incident to obtaining real estate use rights by permit, etc., for conducting military maneuvers, surveys, exploration and other short-term use. Includes procurement of ownership data, mapping, legal descriptions, negotiations, and the filing of condemnation, if necessary. Also, includes damage settlements thereunder.
- 02.11 Audits. Includes all cost related to the preparation of real estate audit assemblies such as verification and authentication, by tract, each real estate activity required in connection with acquisition, relocation, extinguishment of outstanding rights, land interchange, acquisition or subordination of third party interests, deficiency awards, disposal, etc.
- 02.12 Land Payments. Payments made for negotiated purchase of real property or interest therein; transfers from other Government agencies with reimbursements; payments to U.S. District Courts for acquisition by Declaration of Taking (D/T), including deficiency judgments, interest payments, stipulated settlements, and judgments in straight condemnation; payments to local interests as reimbursement for rights-of-way, and costs and expenses arising under Sections 303 and 304, PL 91-646; dollar costs at time negotiated offer (option) accepted; check issued for filing of D/T or payment of deficiency; or reimbursement to other agencies.

*

8-22f

Subfeature
Number

Subfeature Title and Description

- 02.13 Relocation Assistance Payments (PL 91-646). Payments to owners and tenants for relocation expenses and other losses and damages incurred as a direct result of moving occasioned by acquisition of land, other payments or expenses incurred under sections 205, 206, and 215 PL 91-646. Dollar costs are to be shown as of the time payments accrue.
- 02.14 Damage Payments. Payments for claims arising from use and occupancy of real property in and to which fee, easements, or lesser interests were not acquired; payments for damage settlements under rights of entry. Dollar costs are to be shown as of the time payments accrue.
- * 02.15 Mapping and Surveying and Tract Ownership. Includes all costs in connection with tract ownership data, surveys, writing descriptions, and mapping for real estate acquisition purposes.
- 02.16 Title Evidence. Includes all costs in connection with obtaining title evidence.
- 02.17 Negotiations and Closings. Includes all costs in connection with all negotiations conducted for acquisition of real property or interest therein by purchase, donation, exchange, reassignment or transfer; closing land purchase cases; title curative work; recordings of deeds, etc.; delivery of checks to landowners; preparation of attorneys' final opinions; negotiating relocation agreements; obtaining rights of entry for construction, and filing claims for water rights.
- 02.18 Condemnation (Pre-DT Filing). Includes all costs in connection with preparation of condemnation assemblies, including declarations of taking and the processing thereof, up to and including the filing of the case. *

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

Railroads (Including Bridges)

- 02.41 Pre-Authorization Planning. Includes all costs, except appraisal effort, directly associated with real estate planning during pre-authorization stages of a project, including preparation and review of real estate data in survey reports, feasibility studies, etc.; preparation of real estate planning reports and supplements thereto; preparation of site reports; etc.
- 02.42 Post-Authorization Planning. Includes all costs, except appraisal effort, directly associated with real estate planning during post-authorization stages of a project, including preparation of real estate design memoranda and supplements thereto; preparation and review of real estate data in master plans, supplements and appendices; preparation of cemetery relocation plans; survey of potential replacement housing (PL 91-646); public meetings; etc.
- 02.43 Attorneys' Opinions of Compensability. Includes all costs associated with the preparation of attorneys' opinion of compensability incorporated in relocations design memoranda.
- * 02.44 (Reserved)
- 02.45 Staff Appraisals. Includes the cost of all effort of staff appraisers involved in completing appraisal reports such as inspecting the subject property, compiling and analyzing market, cost and income data, reviewing court house records, obtaining necessary information from other Government agencies, preparing appraisal exhibits and appraisal review. Includes appraisals for the following purposes: acquisition disposal, outgranting, mineral reports, timber cruises, gross appraisals, damage claims, homeowners assistance, planning, market analysis/ feasibility reports.

8-22h

Subfeature
Number

Subfeature Title and Description

02.46 Contract Appraisals. Includes all costs associated with effort by contractor personnel involved in completing appraisal reports. Also, includes costs associated with appraisal review and each contract or purchase order for appraisal services such as inspection of property and comparable sales; review and/or inspection of comparative income, and cost information; selection of potential contract appraisers; negotiation of contracts and contract administration; and provision of technical assistance and advice to contract appraisers.

* 02.47 Condemnation (Post-DT Filing). Includes all costs involved in completing condemnation cases such as court exhibits, preparation for trials, testifying, stipulated settlement proposals, revestment actions, and other assistance to the Department of Justice. *

02.48 Relocation Assistance (PL 91-646). Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.

02.49 Disposals. Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes environmental, historical and archaeological review, survey, and recommendation; preparation of maps, screening, advertising or waiver thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.

02.50 Temporary Permits. Includes all costs incident to obtaining real estate use rights by permit, etc., for conducting military maneuvers, surveys, exploration and other short-term use. Includes procurement of ownership data, mapping, legal descriptions, negotiations, and the filing of condemnation, if necessary. Also, includes damage settlements thereunder.

Subfeature
Number

Subfeature Title and Description

- 02.51 Audits. Includes all cost related to the preparation of real estate audit assemblies such as verification and authentication, by tract, each real estate activity required in connection with acquisition, relocation, extinguishment of outstanding rights, land interchange, acquisition or subordination of third party interests, deficiency awards, disposal, etc.
- 02.52 Land Payments. Payments made for negotiated purchase of real property or interest therein; transfers from other Government agencies with reimbursements; payments to U.S. District Courts for acquisition by Declaration of Taking (D/T), including deficiency judgments, interest payments, stipulated settlements, and judgments in straight condemnation; payments to local interests as reimbursement for rights-of-way, and costs and expenses arising under Sections 303 and 304, PL 91-646; dollar costs at time negotiated offer (option) accepted; check issued for filing of D/T or payment of deficiency; or reimbursement to other agencies.
- 02.53 Relocation Assistance Payments (PL 91-646). Payments to owners and tenants for relocation expenses and other losses and damages incurred as a direct result of moving occasioned by acquisition of land, other payments or expenses incurred under Sections 205, 206, and 215, PL 91-646. Dollar costs are to be shown as of the time payments accrue.
- 02.54 Damage Payments. Payments for claims arising from use and occupancy of real property in and to which fee, easements, or lesser interests were not acquired; payments for damage settlements under rights of entry. Dollar costs are to be shown as of the time payments accrue.
- * 02.55 Mapping and Surveying and Tract Ownership. Includes all costs in connection with tract ownership data, surveys, writing descriptions, and mapping for real estate acquisition purposes.
- 02.56 Title Evidence. Includes all costs in connection with obtaining title evidence. *

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 02.57	<u>Negotiations and Closings.</u> Includes all costs in connection with all negotiations conducted for acquisition of real property or interest therein by purchase, donation, exchange, reassignment or transfer; closing land purchase cases; title curative work; recordings of deeds, etc.; delivery of checks to landowners; preparation of attorney's final opinions; negotiating relocation agreements; obtaining rights of entry for construction, and filing claims for water rights.
02.58	<u>Condemnation (Pre-DT Filing).</u> Includes all costs in connection with preparation of condemnation assemblies, including declarations of taking and the processing thereof, up to and including the filing of the case. *
<u>Cemeteries, Utilities, and Structures</u>	
02.71	<u>Pre-Authorization Planning.</u> Includes all costs, except appraisal effort, directly associated with real estate planning during pre-authorization stages of a project including preparation and review of real estate data in survey reports, feasibility studies, etc.; preparation of real estate planning reports and supplements thereto; preparation of site reports; etc.
02.72	<u>Post-Authorization Planning.</u> Includes all costs, except appraisal effort, directly associated with real estate planning during post-authorization stages of a project, including preparation of real estate design memoranda and supplements thereto; preparation and review of real estate data in master plans, supplements and appendices; preparation of cemetery relocation plans; survey of potential replacement housing (PL 91-646); public meetings; etc.
02.73	<u>Attorneys' Opinions of Compensability.</u> Includes all costs associated with the preparation of attorneys' opinion of compensability incorporated in relocations design memoranda.
* 02.74	(Reserved)

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- 02.75 Staff Appraisals. Includes the cost of all effort of staff appraisers involved in completing appraisal reports such as inspecting the subject property, compiling and analyzing market, cost and income data, reviewing court house records, obtaining necessary information from other Government agencies, preparing appraisal exhibits and appraisal review. Includes appraisals for the following purposes: acquisition disposal, outgranting, mineral reports, timber cruises, gross appraisals, damage claims, homeowners assistance, planning, market analysis/feasibility reports.
- 02.76 Contract Appraisals. Includes all costs associated with effort by contractor personnel involved in completing appraisal reports. Also, includes costs associated with appraisal review and each contract or purchase order for appraisal services such as inspection of property and comparable sales; review and/or inspection of comparative income, and cost information; selection of potential contract appraisers; negotiation of contracts and contract administration; and provision of technical assistance and advice to contract appraisers.
- * 02.77 Condemnation (Post-DT Filing). Includes all costs involved in completing condemnation cases such as court exhibits, preparation for trials, testifying, stipulated settlement proposals, revestment actions, and other assistance to the Department of Justice. *
- 02.78 Relocation Assistance (PL 91-646). Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.
- 02.79 Disposals. Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes environmental, historical and archaeological review, survey, and recommendation; preparation of maps, screening, advertising or waiver

8-22L

* Subfeature
Number

Subfeature Title and Description

thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.

- 02.80 Temporary Permits. Includes all costs incident to obtaining real estate use rights by permit, etc., for conducting military maneuvers, surveys, exploration and other short-term use. Includes procurement of ownership data, mapping, legal descriptions, negotiations, and the filing of condemnation, if necessary. Also, includes damage settlements thereunder.
- 02.81 Audits. Includes all cost related to the preparation of real estate audit assemblies such as verification and authentication, by tract, each real estate activity required in connection with acquisition, relocation, extinguishment of outstanding rights, land interchange, acquisition or subordination of third party interests, deficiency awards, disposal, etc.
- 02.82 Land Payments. Payments made for negotiated purchase of real property or interest therein; transfers from other Government agencies with reimbursements; payments to U.S. District Courts for acquisition by Declaration of Taking (D/T), including deficiency judgments, interest payments, stipulated settlements, and judgments in straight condemnation; payments to local interests as reimbursement for rights-of-way, and costs and expenses arising under Sections 303 and 304, PL 91-646; dollar costs at time negotiated offer (option) accepted; check issued for filing of D/T or payment of deficiency; or reimbursement to other agencies.
- 02.83 Relocation Assistance Payments (PL 91-646). Payments to owners and tenants for relocation expenses and other losses and damages incurred as a direct result of moving occasioned by acquisition of land, other payments or expenses incurred under Sections 205, 206, and 215, PL 91-646. Dollar costs are to be shown as of the time payments accrue.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- 02.84 Damage Payments. Payments for claims arising from use and occupancy of real property in and to which fee, easements, or lesser interests were not acquired; payments for damage settlements under rights of entry. Dollar costs are to be shown as of the time payments accrue.
- * 02.85 Mapping and Surveying and Tract Ownership. Includes all costs in connection with tract ownership data, surveys, writing descriptions, and mapping for real estate acquisition purposes.
- 02.86 Title Evidence. Includes all costs in connection with obtaining title evidence.
- 02.87 Negotiations and Closings. Includes all costs in connection with all negotiations conducted for acquisition of real property or interest therein by purchase, donation, exchange, reassignment or transfer; closing land purchase cases; title curative work; recordings of deeds, etc.; delivery of checks to landowners; preparation of attorney's final opinions; negotiating relocation agreement; obtaining rights of entry for construction, and filing claims for water rights.
- 02.88 Condemnation (Pre-DT Filing). Includes all costs in connection with preparation of condemnation assemblies, including declarations of taking and the processing thereof, up to and including the filing of the case. *
04. DAMS AND OTHER WATER COLLECTING FACILITIES. This feature includes the cost of all dams and other water collecting facilities, whether man made or natural, together with appurtenant water diversion, regulation, and delivery facilities.
- 04.1 Main Dams. This subfeature includes the cost of the main dam and appurtenances, excluding outlet works which are not an integral part of the dam structure and power intake works.
- 04.2 Spillway. This subfeature includes the cost associated with a separate spillway which is not integral with the main dam.

8-22n

<u>Feature Number</u>	<u>Feature Title and Description</u>
04.3	<u>Outlet Works (exclusive of power).</u> This subfeature includes the cost of outlet works for drainage of the reservoir which are not an integral part of the dam structure, excluding such facilities for power production.
04.4	<u>Power Intake Works.</u> This subfeature includes the cost of power intake works, including such power items as forebay, penstocks, tunnels, surge tank, gates, related operating equipment, and appurtenances.
04.5	<u>Auxiliary Dams.</u> This subfeature includes the cost of any auxiliary dams or spillways detached from the main dam.
04.6	<u>Municipal and Industrial Water Delivery Facilities.</u> This subfeature includes the cost of facilities which are not an integral part of the dam, for delivery of water for municipal or industrial use.
06.	<u>FISH AND WILDLIFE FACILITIES.</u> This feature includes items such as ladders, elevators, locks and related facilities for passage of fish at dams and navigation locks and maintenance of fish runs; and provision for wildlife preservation.

8-22n.1 (next page is 8-22o)

* Feature
Number

Feature Title and Description

07. POWER PLANT. This feature includes those facilities specifically required for the production of power other than those included in the feature "Dams," and consists of the following: powerhouse, turbines, and governors, generators, accessory electrical equipment, miscellaneous power plant equipment, switchyard, and tailrace improvement for power. In the case where the powerhouse is an integral part of the power intake dam, the cost of the power intake dam is included in this feature. Where the structure of a dam also forms the foundation of the powerhouse, such foundation is considered a part of the dam. The cost of a cofferdam or the appropriate part thereof is charged to this feature. Units for production of power for the operation only of navigation, flood control, or other purpose projects (excluding those projects with power as a feature) are included in other features as appropriate.

*

07.1 Power House. This subfeature includes the cost in place of the powerhouse used in connection with hydraulic power generation. In cases where the powerhouse is an integral part of the intake dam, the cost of the power intake dam will be included in this subfeature.

07.2 Turbines and Generators. This subfeature includes the cost installed of turbines (from connection with penstock or flume to tailrace) and generators driven thereby devoted to the production of electricity by water power.

Switchyard, Accessory, and Miscellaneous Equipment,
Tailrace

07.3 Accessory Electrical Equipment. This subfeature includes the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by hydraulic power and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts, such motors being included in the account in which the equipment with which they are associated is included. Do not include in this account transformers and other equipment used for changing the voltage or frequency of electric energy for the purpose of transmission or distribution.

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
* Number

Subfeature Title and Description

- 07.4 Miscellaneous Power Plant Equipment. This subfeature includes the cost installed of miscellaneous equipment in and about the hydraulic generating plant which is devoted to general power plant use and is not properly includable in other power plant accounts.
- 07.5 Tailrace. This subfeature includes the cost of tailrace improvement for power production.
- 07.6 Switchyard. This subfeature includes the cost of switchyard structures and installed transforming, converting, and switching equipment at the power house switchyard to change the voltage or frequency of electric energy for the purpose of its more efficient or convenient transmission; all lines, high tension apparatus, and their control and protective equipment between the powerhouse bus and the switchyard.
- * 08. ROADS, RAILROADS, AND BRIDGES. This feature includes permanent roads, railroads, and bridges required for access and other purposes in connection with the construction and operation of the project. This feature does not include roads, railroads, and bridges chargeable to the feature "Relocations," access roads to recreation facilities and areas, which will be charged to the feature "Recreation Facilities," and service roads and service railroads on structures, which will be charged to the appropriate feature for the structure.
09. CHANNELS AND CANALS. This feature includes all forms of excavation (including dredging, preparation of spoil disposal areas, and attendant facilities) necessary for the development and construction of channels, or improving existing watercourses for flood control and major drainage. Excavation of natural watercourses to provide adequate depths for navigation is included. Excavation for specific structures, such as dams and locks used in the development of waterways and conservation of water resources, is included with such structures. The removal of trees, brush, accumulated snags, drift, debris, water hyacinths and other aquatic growths from canals, harbors, and channels in navigable streams and tributaries thereof for navigation is included in this feature. Excavation, clearing and

*

* Feature
Number

Feature Title and Description

09. con-
tinued:

removal of accumulated snags, drifts, debris, and vegetable growth from streams for flood control and major drainage purposes also is included. Included in this feature are revetments, linings, dikes, and bulkheads constructed as channel improvement works for flood control or navigation, as against such items constructed for bank stabilization only. Also included are jetties constructed in connection with flood control channel improvements.

10.

BREAKWATERS AND SEAWALLS. This feature includes breakwaters, seawalls, piers, and like improvements constructed in connection with the protection of beaches, harbors, shores, and port facilities against the force of waves and encroachment of seas or lakes by direct wave action. Jetties, groins, and like structures provided in seas, lakes, tidewater reaches of rivers and canals, and harbors to control water flow and current, to maintain depth of channels, and to provide protection are included in this feature.

11.

LEVEES AND FLOODWALLS. This feature includes embankments and walls constructed to protect areas from inundation by overflow from creeks, rivers, lakes, canals, and other bodies of water. This feature consists of such items as: service roads on levee crown or landside berms, road ramps, closure structures, seepage control measures, erosion protection measures on levee slopes and on berms and bank slopes when an integral part of the levees or floodwalls; and drainage facilities, constructed to provide means for the passage of accumulated drainage and seepage water and sewage from the protected area over or through levees and floodwalls, comprising such items as interceptor and collection sewers and ditches, and pressurized sewers and drainage structures, including outfalls through levees or floodwalls. Levees locally called dikes are included in this feature. Pumping plants are included in the feature "Pumping Plants."

13.

PUMPING PLANTS. This feature includes pumping plants constructed to pass accumulated drainage and seepage water and sewage from the protected area over or through levees and floodwalls.

8-22q

* Feature
Number

Feature Title and Description

14. RECREATION FACILITIES. This feature includes access roads; parking areas; public camping and picnicking areas, including tables and fireplaces; water supply; sanitary facilities; boat launching ramps; directional signs; and other facilities constructed primarily for public recreational use, including essential safety measures in connection therewith. The latter includes, as appropriate, sheltered anchorage areas for small craft, bathing areas readily accessible and reasonably safe, and safety provisions for visitors and fishermen in the project area. (Boat launching ramps, anchorage areas and beaches should be provided during construction to the extent they will definitely be needed and can be accomplished more economically than at a later date.)
15. FLOODWAY CONTROL AND DIVERSION STRUCTURES. This feature included floodway control and diversion structures to provide for the release of flood waters from streams where discharges exceed flood capacity of the stream, including such items as diversion dams, gated or ungated discharge structures, training walls, stilling basin, and those adjacent embankment sections forming part of the control structure. Construction of channels and levees not forming part of the main control structure, but necessary for operation of such structures is included in the appropriate feature "Channels and Canals" or "Levees and Floodwalls."
16. BANK STABILIZATION. This feature includes revetments, linings, training dikes, and bulkheads for stabilization of banks and watercourse to prevent erosion, sloughing, or meandering. Bank stabilization constructed in navigation channels or in connection with flood control channel improvement is included in the feature "Channels and Canals."
17. BEACH REPLENISHMENT. This feature includes replacement of eroded beaches, for purposes of recreation and shore protection, by direct deposit of materials obtained by dredging or land excavation. *
18. CULTURAL RESOURCES PRESERVATION. This feature pertains to the preservation, recovery, or other mitigation of significant scientific, prehistorical, historical, or archaeological data, buildings, sites, districts,

* Feature * Number	<u>Feature Title and Description</u>
18. con- tinued:	structures, or objects. This feature covers costs during construction and includes excavation, preparation of areas, recovery of data, movement of artifacts, relics and objects of antiquity, analysis of data and preparation of reports thereon, and construction of cultural facilities.
* 19.	<u>BUILDINGS, GROUND, AND UTILITIES.</u> This feature includes permanent facilities such as operators' quarters, administration and shop buildings, storage buildings and areas, garage buildings and areas, community buildings, local streets and sidewalks, landscaping, and electric, gas, water, and sewage facilities. Where space in a dam, powerhouse, or other basic structure is used in lieu of construction of any of the above-mentioned buildings, such allocated space is not separated from the basic structure. Communications systems are included in the feature "Permanent Operating Equipment" and recreational buildings in "Recreation Facilities."
20.	<u>PERMANENT OPERATING EQUIPMENT.</u> This feature includes all project-owned operation and maintenance tools and equipment, such as laboratory, shop, warehousing, communications, and transportation equipment, and office furniture and equipment. The cost of installing sedimentation and degradation measuring facilities, including the surveys requisite to locating and monumenting range layouts, is charged to this feature. The cost of planning the installation of sedimentation and degradation ranges is charged to the feature "Engineering and Design." *
30.	<u>ENGINEERING AND DESIGN.</u> Engineering and design costs will be subdivided as provided below, and may be further identified to the permanent feature of work being engineered or designed. This optional identification is applicable to Construction, General, only, and will be accomplished by using an alpha character in the subfeature code in accordance with the following:

ER 37-2-10
Change 54
28 Feb 85

* Feature
* Number

Feature Title and Description

30. con-
tinued:

Permanent Feature	Alpha Code	Permanent Feature	Alpha Code
01	A	11	L
02	B	12 (not in use)	M
03	C	13	N
04	D	14	P
05	E	15	R
06	F	16	S
07	G	17	T
08	H	18	U
09	J	19	V
10	K	20	W

30.1 thru
30.6

Design Engineering.

(1) This feature includes:

(a) Investigating, planning, preparing preliminary and final designs, estimating costs and benefits, comparing economies of alternative plans of development, and establishing engineering criteria as required for project formulation, including: subsurface exploration; model testing and analyses; sampling, testing and analyzing foundation materials, embankment materials, aggregates, cement, and other construction materials required to facilitate design; analyzing and applying climatological, meteorological, hydrological, geological, and other technical data; coordinating with other agencies and local interests throughout the development, planning and design stages; performing hydrographic and topographic surveying and mapping as required for planning and design. Inherent in surveying and mapping is the coordination with existing maps or surveys; mapping, surveying and taking and analyzing aerial photographs to determine requirements for relocations, clearing, and minimum extent of real estate for operation of project and for recreation; establishing horizontal and vertical control reference points to form bases of surveying needed for construction, relocations, clearing, and real estate acquisition; performing other engineering and architectural analyses, planning and designs; and preparing design memorandums.

(b) Preparing detailed designs, plans, specifications, and contract documents prior to bidding; negotiating for engineering services by private firms, other

* Feature
* Number

Feature Title and Description

30.1 thru
30.6 con-
tinued:

districts, or others; participating with others in negotiating for relocations and in preparing agreements therefor; reproducing documents for bidding purposes; and preparing Government estimates to compare with bids on new construction.

*

(c) Constructibility reviews, including those internal procedures necessary to evaluate the ease with which a design can be built as well as providing for more efficient construction operations. See ER 415-1-11 for additional description.

*

*

(d) Participation by engineering and design staffs in pre-award activity to acquaint prospective bidders with nature of work, and construction personnel with design.

*

(e) Review of engineering and design effort by the construction contractor where contract specifications are expressed in terms of performance standards with certain design details left to the contractor. These details include the review of submittals by the construction contractor of engineering design drawings, calculations, stress diagrams or the like where the "Design Requirements" paragraphs of OCE Guide Specifications require such submittals, and supervision and review of engineering and design effort by the construction contractor where the lack of Government expertise in some unique and/or complex field necessitates a contract specification expressed in terms of performance standards and requiring an engineering and design effort by the contractor. Concrete mixture design and the cost in connection with the development are considered extensions of the final design and are included in this account.

*

(f) Participating in modifications of contract agreements, to the extent of providing revised designs, plans, and specifications, and preparing Government cost estimates to compare with contractor's proposal.

*

(g) Determining minimum requirements for acquisition of real estate.

* Feature
* Number

Feature Title and Description

* 30.1 thru
30.6 con-
tinued:

(h) Performing, by engineering and design staffs, of regularly scheduled inspections of projects under construction in order to determine whether field conditions are as they were expected to be during design; to assist field personnel in interpreting the plans and specifications; and to observe, first hand, problems that may not have been fully evaluated in the original design.

*

(i) Supervising and coordinating with private firms, other district offices, local or state Government agencies, other Federal agencies, owners of facilities to be relocated, or others in performing any or all of the preceding functions.

*

(j) Damage finally assessed by the contracting officer against engineering and design contractors for failure to complete the contracted work within the time specified in the contract, as a credit offset for additional expenses incurred by the Government.

(2) Applicable subfeatures will be maintained as listed below. Also, for projects involving reimbursable functions, such as for power, water supply, irrigation, etc., these subfeatures will be further subdivided to record separately the engineering and design for:

(a) Each single purpose facility, and

(b) For all joint purpose facilities, to facilitate equitable distribution of these costs to permanent features at the time of transfer to Plant In Service.

*

(3) The costs of the real estate portion of the general design memorandum, and the real estate design memorandums, planning, mapping, and surveying required in connection with real estate acquisition and cemetery relocations will not be charged to Design Engineering, but will be charged to Lands and Damages or Relocations, as appropriate.

*

Design By Contract

30.1

*

Contractors' Earnings and Government-Furnished Property (GFP). This subfeature includes contractors' earnings (including applicable fixed fees) for design engineering

8-4

8-26

* Subfeature
* Number

Subfeature Title and Description

30.1 con-
tinued:

services performed under Title I of AE contracts and for soils investigations, test borings, soils tests, etc., under other contracts; and the cost of materials, supplies, equipment, and services furnished by the Government without charge to such contractors.

* 30.2

Engineering Supervision and Review (SR). This subfeature includes all costs incurred by Government forces technical staff in connection with civil works design performed by contract after the initial decision to perform such work by contract. This includes all applicable elements of cost defined in 30.1- Design Engineering, above, such as pre-award activities in development of criteria, negotiating and awarding design contracts, preparation of design contract documents, etc., and post-award activities such as technical administration, supervision, and verification of contract E&D, including, where appropriate, reproduction of bid documents. This subfeature also includes all costs associated with review of and effort involved in commenting on and resolving contract work.

30.3

Damages Assessed E&D Contractors (Cr). This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the contracting officer against engineering and design contractors for failure to complete work within the time specified by the contract. The balance will be treated as an offset against costs in subfeature 30.2, and not as a reduction in contractors' earnings.

Design By Government Forces

30.4

This District. This subfeature includes all engineering and design performed in-house by Government forces assigned to the field operating activity having primary responsibility for project execution with the exception of those costs properly chargeable to subfeatures 30.2, 30.7, 30.8, and 30.9. Also, includes the review of design effort of construction contractors as defined in item 30.1 thru 30.6(1)(d), above.

*

* Subfeature
Number

Subfeature Title and Description

- 30.5 Other Districts. This subfeature includes all engineering and design performed by Corps of Engineers forces assigned to a Corps field operating activity other than the one having primary responsibility for project execution. Includes all in-house engineering and design services purchased from another Corps field operating activity on a reimbursable basis with the exception of those costs properly chargeable to subfeatures 30.2, 30.7, 30.8, and 30.9. This subfeature also includes the review of design effort of construction contractors by "Other Districts."
- 30.6 Other Governmental Elements. This subfeature includes all engineering and design performed by a governmental element outside the Corps of Engineers. This subfeature will reflect all costs related to engineering and design purchased from another governmental element (MIPR, Interagency Agreement, etc.). Includes all costs of the nature described in 30.4, above. *
- * 30.7 Reconnaissance and Detailed Project Reports. This subfeature includes the costs of preparation of Reconnaissance and Detailed Project Reports under special continuing authorities, such as: small flood control projects, Section 205 of 1948 Flood Control Act as amended by PL 685, 84th Congress; small navigation projects, Section 107 of 1960 R&E Act; snagging and clearing projects for flood control, Section 2 of 1937 Flood Control Act as amended by Section 208 of 1954 Flood Control Act; and emergency bank protection projects, Section 14 of 1946 Flood Control Act.
- * 30.8 Value Engineering by Government Forces, Prior to 1 March 1969. A separate subfeature will be maintained for each value engineering action, including value engineering change proposals (VECP's) submitted by contractors, identified with the related construction project. Where costs recorded in these accounts are determined as not resulting in an acceptable (reportable) value engineering action, the account will be labeled "non-productive" and excluded from offsetting costs in reports.

* Subfeature
* Number

Subfeature Title and Description

- * 30.9 Real Estate Activities - Local Cooperation - Compliance by Local Interests. This subfeature includes costs incurred on real estate activities on projects where no Government land acquisition is involved. Charges will include Government costs, in connection with lands required to be furnished by local interests, such as records search, appraisals, and field inspections to assure compliance by local interests in the provision of local requirements for a project.
- * 31. Supervision and Administration. The subfeatures maintained under this feature will be subdivided to accumulate separately the supervision and administration costs incurred which are applicable to all activities performed by contract and the costs incurred which are applicable to such work performed by hired labor. These include: studies and analyses of plans and specifications and conferences of construction staffs to establish construction sequence, etc., with design personnel to become familiar with design requirements, participation of construction staffs in pre-award activity to acquaint prospective bidders with nature of work; award and administration of construction contracts; award and administration of contracts which provide for supervision and inspection; establishment of bench marks and base lines required for layouts of construction, relocations, and clearing; review of drawings, manuals, catalog cuts, and other information submitted by the construction contractor in accordance with the "shop drawings" paragraphs of OCE Guide Specifications; assure specifications by supervision and inspection of construction work, conferences with the contractors to coordinate various features of the project and enforce compliance with schedules; sampling and testing during construction phase of subsurface and construction materials to determine their suitability and compliance with plans and specifications; negotiation with contractors on all contract modifications, including preparation of all contract documents required therefor, and preparation of Government estimates on those contract modifications that do not require preparation of revised designs, plans and specifications; estimate quantities, determine periodic payments to contractors, and review and approval of contract payments, including any measurements required

ER 37-2-10
Change 54
28 Feb 85

* Feature
* Number

Feature Title and Description

31. con-
tinued:

therefor by Government forces; construction staff's review and approval of construction schedules and progress charts, as prepared by contractors; preparation of progress and completion reports; project management and administration not otherwise identified; district overhead; and damages assessed other than E&D contractors, when finally determined by contracting officer as a credit offset for additional expenses incurred by the Government. The following subfeatures will be maintained for each construction project:

* 31.1

Project Office Costs. This subfeature will include the cost of project personnel engaged directly in carrying out the functions outlined above, and will be subdivided as shown below. When project personnel perform work as outlined under Feature 30, Engineering and Design, the costs thereof will be charged to Feature 30. Costs charged to this subfeature will be subdivided as follows:

31.11 Review of Shop Drawings
31.12 All Other Project Office Costs

31.2

Area Office Expenses. This subfeature will include all costs pertaining to the functions of Feature 31, above, incurred in an area office for the project. When area office personnel perform work as outlined under Feature 30, Engineering and Design, the costs thereof will be charged to Feature 30. Costs charged to this subfeature will be subdivided as follows:

31.21 Review of Shop Drawings
31.22 All Other Area Office Expenses

31.29

Area Overhead. This subfeature includes the distributive amount of the net area overhead costs charged to the project.

31.3

District Office Expenses. The subdivisions hereunder will be charged with cost of direct services performed by district office personnel for supervision and inspection; district office overhead distributed to project; and amounts included in bills from other Corps of Engineers districts applicable to the project.

31.31 Review of Shop Drawings
31.32 All Other District Office Expenses

*

8-4c

8-30

* Subfeature
Number

Subfeature Title and Description

- 31.4 District Overhead. This subfeature will be used to accumulate the distributive amounts of overhead chargeable to a project in accordance with procedures contained in paragraph 7-23. Costs chargeable to this subfeature will be subdivided into the following categories which are self-explanatory.
- 31.41 District Overhead-S&A on Contract
 - 31.42 District Overhead-Engineering-All Other
 - 31.43 District Overhead-Real Estate
 - 31.44 (RESERVED)
 - 31.45 District Overhead-Construction-S&A on Contract
 - 31.46 District Overhead-Construction-All Other
- 31.5 Expenses Billed by Other Offices. This subfeature will be charged with costs billed by other offices for direct inspection services. (Show sufficient detail in this account for analysis as to billing office.) *
- * 31.6 Damages Assessed Other than E&D Contractors (Cr). This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the contracting officer against other than E&D contractors for failure to complete the contracted work within the time specified by the contract and for liquidated dam-

Account
Number

Account Title and Description

31.6 ages assessed any contractors under the Work Hours Act of 1962. The balance will be treated as a reduction in the supervision and administration costs of the project and not as a reduction in contractor's earnings applicable to other specific features.

d. Descriptions of Distributive, Miscellaneous, and Reconciliation Accounts. (General Ledger Control Accounts are indicated after principal cost accounts below.)

36.1 Prepayments to Other Government Agencies (GL116.1). This account reflects the status of advance payments made to another agency from project funds. A separate account will be maintained for each agency. It will be debited with the amount of advance made. On the basis of cost or receiving reports, the account will be credited and the appropriate cost or expense account debited with the value of services or property received. It will also be credited with any unused balance of an advance returned by the agency.

36.2 (Reserved.)

36.3 Other Advances (GL 116.3). This account reflects the status of advances from project funds, other than those accounted for under Accounts 36.1 and 36.2, including advances to the Revolving Fund of the same or another district. A separate account will be maintained for each office or agency to which an advance is made. It will be debited with the amount of advances made. On the basis of cost or receiving reports, or billing from the Revolving Fund of the same district, the account will be credited and the appropriate cost or expense account debited with the value of services or property received. It will also be credited with the balance of advance returned.

* 36.4 Real Estate - Relocation Assistance - Loans to Profit and Nonprofit Organizations (GL 116.4). This account reflects the status of loans made under Section 215, PL 91-646 to profit or nonprofit organizations. A separate account will be maintained for each loan. The account will be charged for loans made and credited for repayment. Any interest should be treated as Miscellaneous Receipts.

ER 37-2-10
Change 56
15 Aug 85

*	<u>Feature Number</u>	<u>Title and Description</u>
*	38.1	<u>Work In Progress for Others - Refunds (GL 117.1).</u> This feature reflects the unbilled amount of work performed for others with project funds, subject to repayment to be accounted for as appropriation refunds. A separate account will be maintained for each agency. These accounts will be credited with the amounts of pertinent bills rendered to the customers.
*	38.2	<u>Work In Progress for Others - Appropriation Reimbursement Activity (GL 117.2).</u> This feature reflects the unbilled amount of work performed for others with funds made available by appropriation reimbursement apportionment, subject to repayment to be accounted for as appropriation reimbursements. A separate account will be maintained for each agency, firm, or individual. These accounts will be credited with the amounts of pertinent bills rendered to the customers.
*	38.3	<u>Work In Progress for Other Corps of Engineers Activities - Reimbursable (GL 117.3).</u> This feature reflects the unbilled amount of work performed for other Corps of Engineers (COE) activities (District, Divisions, etc.) with available funds, subject to repayments (to be accounted for as appropriation reimbursements) under the provisions of properly executed and accepted Intra Army Orders for Reimbursable Services (DA Form 2544) from other CE activities. A separate account will be maintained for each order received. The accounts will be credited with the amounts of all bills rendered to the ordering activity.
*	39.	<u>UNAPPLIED ADVANCES FOR ACCRUED COST (GL 107 and 171).</u> This feature will be debited with estimated end-of-the-month cost distributions representing payments due to other appropriations or projects and credited with the estimated cost distributions representing amounts due from other appropriations or projects. Posting media will be Bureau Voucher ENG Form 3006, representing accrued expenditures or receivables as appropriate. A separate account will be maintained for each appropriation or project to which accrued cost distributions are

Feature
Number

Title and Description

39.

charged or credited. Prior to closing cost accounts for the month, these accounts will be debited with the actual cost distributions due from, and credited with actual cost distributions due to each applicable appropriation or project. Posting media will be Journal Entry, ENG Form 3007. The balance of this account will either be closed out by use of ENG Form 3006 as of the beginning of each following month, or it may remain open and the balance taken into consideration in arriving at the estimated cost distributions to be recorded at the end of the following monthly accounting period.

40.

*

UNDISTRIBUTED JOB-SITE LABOR (GL 107 and 171).
This feature includes the estimated labor costs accrued to the end of the month for "job-site" employees for which

8-32a

491

<u>Account Number</u>	<u>Account Title and Description</u>
40.	distribution to the features or other accounts is impracticable prior to closing cost accounts for a monthly accounting period. The charges to this account will be reversed at the beginning of the following month.
41.	<u>STORES (GL 107 and 171).</u> This account includes the cost of unused project owned common materials and supplies acquired for construction activities. The account is charged with the cost of items received in stock and credited with the cost of items issued from stock.
42.	<u>UNAPPLIED PAYMENTS TO CONTRACTORS (GL 107 and 171).</u> This account includes payments to contractors in advance of the performance of work or service and will be subdivided by contractors, and further by methods of application of the payments, where appropriate. In the case of a construction type contract, this account will be debited or credited in the amounts of the increases or decreases in such advances as shown on the payment estimates. In the case of a payment to the owner of a utility line constructed to furnish service to a project, the portion which will not be recouped, if any, will be amortized to Account 50.5 Construction Facilities - Operation and Maintenance Expense; while the subaccount representing the amount subject to recoupment will be credited in the amounts of deductions in bills for services rendered, the full amounts of such bills being charged to accounts chargeable with the utility service. In the event a balance of the recoupable amount remains upon the transition of the project to the operation and maintenance phase, that balance will be transferred as an unfunded transaction by debiting the General Ledger Account 133.1 Transfers of Cost or Property - Active Projects, for construction, and crediting a like account for operation and maintenance. The transfer will also be credited to subsidiary Account 42 (GL 107 Construction, General) and debited to Account 642 (GL 179 O&M, General).
49.	<u>CLAIMS RECEIVABLE (GL 114).</u> This accounts reflects the balance of claims or receivables which may not be

Account
Number

Account Title and Description

49. be collectible because of pending or subsequent litigation or adjudication or other reasons. This account will be debited with the amounts of such claims. It will be credited with amounts of claims cancelled or reclassified from claims receivable to accounts receivable.
50. CONSTRUCTION FACILITIES (GL 107 and 171).
- 50.1 Assets. Accounts will be maintained under this heading to represent (1) the costs, credits, and undepreciated value of each item or group of like items of construction plant and tools and equipment, and temporary construction facilities; (2) the costs, amortizations, and unamortized balance of the costs of mobilization and demobilization of construction plant and tools and equipment; and, where applicable, (3) the costs, amortizations and amortized balance of the costs of transfer of temporary facilities to the project and preparation for removal therefrom. The amounts of depreciation of both construction plant and temporary construction facilities, and the amounts of the amortization of costs of transfer and removal of temporary construction facilities will be charged to appropriate accounts under 50.5 Operation and Maintenance Expense. The amounts of depreciation of tools and equipment and the amounts of amortizations of the costs of mobilization and demobilization of construction plant and tools and equipment will be charged to project feature, subfeature, or other accounts, as appropriate.
- 50.5 Operation and Maintenance Expense. Subdivisions of this account will be maintained to accumulate the operation and maintenance costs, including depreciation and amortization charge-offs, of the facilities carried in Account 50.1, except that depreciation of tools and equipment and amortization of the costs of mobilization and demobilization of construction plant and tools and equipment will be charged to project feature, subfeature, or other accounts directly from Account 50.1. A subaccount will also be included for the amortizations of unrecoverable considerations paid to owners of utility lines constructed to furnish service to the proj-

Account
Number

Account Title and Description

50.5

ect. Any income resulting from the operation of construction facilities, such as rents for temporary quarters, townsites, sale of temporary utility services, etc., will be credited to Accounts 50.8 and 50.9, as applicable. Included as subdivisions of Account 50.5 are also Plant Rental, and Plant Operation accounts which will be maintained for project-owned plant in the manner as described for the Revolving Fund, except that distributions of such costs are not sales. The total net remaining balances of account series 50.5 and 50.8 will be distributed on an equitable basis to permanent work not more frequently than at the close of each fiscal year, except in cases of facilities which can be charged off currently on the basis of production units (e.g., mobile and floating plant, concrete production), or when the total costs applicable to a completed feature or subfeature is required to be determined. The balance in Account 50.9 will not be distributed to permanent work except at time of completed work transfer to Plant In Service. At that time, an equitable amount applicable thereto will be transferred and included as a separate item in col. 6, Other Distributive Costs, provided in para 8-4h(2)(a), this manual. The following subaccounts are prescribed; others will be set up under the 50.5 series, as warranted under each project.

50.7

Warehouse Operation. This account includes the cost of operating and maintaining the project warehouse in connection with the receipt, storage, and issue of material, and supplies. It also includes charges for equipment used in moving and handling materials when assigned to the service of the warehouse. The pay and expenses of employees engaged in inspecting major classes of material, such as cement, will be charged to Supervision and Administration. Cash discounts on purchases of stock and adjustments of a minor nature which do not distort the unit cost of stock items are charged to this account. The costs accumulated in this account are absorbed into the cost of the work performed and credited to this account by applying an adequate percentage to the issue price of stocks requisitioned from the warehouse.

8-35

8-4d

ER 37-2-10
Change 54
28 Feb 85

* Subfeature * Number	<u>Subfeature Title and Description</u>
* 50.8	<u>Repayments and Cost Distributions (Cr).</u> Subdivisions of this subfeature will be maintained to record distribution on charge-offs and repayments resulting from the operations of construction facilities.
* 50.9	<u>Miscellaneous Receipts (Cr).</u> This subfeature includes income received incident to construction facilities activities which, when collected, will be deposited to the general funds of the U. S. Treasury. Contra debit will be to Feature 94, Funds Returned to U. S. Treasury - Corps of Engineers (Dr).
* 51.	<u>OPERATION AND MAINTENANCE EXPENSE DURING CONSTRUCTION (GL 107).</u> The subfeatures hereunder include the direct costs incurred in connection with the operation and maintenance of permanent features, including the training of operating personnel, and income derived from operation and maintenance activities during construction. The total net balance in Subfeatures 51.1 thru 51.26, 51.3, and 51.8 will be distributed to the permanent features not more frequently than the close of each fiscal year, except in cases where it is necessary to determine the total costs applicable to a feature or subfeature. The balance in Subfeatures 51.4, 51.91, and 51.92 will not be distributed to permanent work except at time of completed work transfer to Plant In Service. At that time, an equitable amount applicable thereto will be transferred and included as a separate item in col. 6, Other Distributive Costs provided in para 8-4h(2)(a).
* 51.1	<u>Real Estate - Leasing Program.</u>
51.12	<u>Inleasing - Non-Recruiting Facilities.</u> Includes all costs, including contractual services, directly involved in acquisition of leaseholds by negotiations, condemnation or assignment from GSA (except for recruiting facilities). Includes ownership data, preparation of maps and descriptions, negotiations and related work for new leases; supplemental agreements, renewals; restorations under lease provisions; condemnation petitions and declarations of taking; and space requests to GSA. Also, includes preparation of plans, estimates, etc., for initial alterations to leased facilities.

*

8-4d

8-36

* Subfeature
Number

Subfeature Title and Description

- 51.13 Relocation Assistance (PL 91-646). Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.
- 51.14 Disposals. Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes environmental, historical and archaeological review, survey, and recommendation; preparation of maps, screening, advertising or waiver thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.
- 51.15 Relocation Assistance Payments (PL 91-646). Payments to owners and tenants for relocation expenses and other losses and damages incurred as a direct result of moving occasioned by acquisition of land; other payments or expenses incurred under Sections 205, 206, and 215, PL 91-646. Dollar costs are to be shown as of the time payments accrue.
- 51.16 Rents, Initial Alterations and Restorations. Payments by the Corps to lessors or their legally constituted representatives for use of real property by DA under lease, including Army National Guard and GSA SLUC costs and rents and SLUC costs for DOD recruiting space. Payments only of predetermined amounts for suspending the rights of third parties, pursuant to Act of Congress approved 9 July 1942, 56 Stat. 500 (rights of ranchers to graze cattle on certain areas of public domain); costs of construction of initial alterations of leased facilities effected by the Government or payments for initial alterations of leased facilities effected by lessors or their legally constituted representatives to meet the needs of the using service; costs of restoration effected by the Government, payments for restoration of leased facilities effected by lessors or their legally constituted representatives, or payments in lieu of restoration. Dollar costs are to be shown as of the time payment accrue.

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

51.2 Real Estate Management Services Expense. This subfeature comprises grants, compliance and utilization inspections, and real estate records, reports, audits, and Federal jurisdiction.

51.21 Compliance Inspections - Major. Includes cost of all effort incident to performing inspections of property granted to others for purposes such as commercial concessions, industrial uses, public park and recreation, quasi-public and group camp use, fish and wildlife habitat management, selected agricultural and grazing uses and reconveyance clauses/restrictions in deeds requiring at least annual inspections to assure compliance with terms and conditions of the grant. Includes preparation of reports, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where noncompliance is noted.

51.22 Compliance Inspections - Minor. Includes the cost of all effort incident to performing inspections of property granted or reserved to others for purposes such as road, street, waterline, powerline, and communication line rights-of-way and other uses covered by easements, licences and permits that do not require an annual inspection to assure compliance with terms and conditions of grants. Includes report preparation, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where non-compliance is noted.

51.23 Utilization Inspections - Major. Includes the cost of all effort incident to performing inspections of real property under the control of or subject to service agreement with the Corps where changes in utilization are known to occur frequently and substantially so as to require annual determination of proper utilization. Includes E.O. 12348 and E.O. 12411 surveys, and Bureau of Land Management (BLM) withdrawal reviews as applicable, and preparation of reports related to property utilization.

51.24 Utilization Inspections - Minor. Includes all costs related to effort incident to performing inspections of recruiting offices, steam gage stations, radio operator

*

* Subfeature
Number

Subfeature Title and Description

51.24 con-
tinued:

sites, all other real property under the control of the Corps as well as property subject to utilization inspections under Memorandums of Agreement with other Federal agencies where utilization inspections are required on a less than annual frequency.

51.25

Outgrants - Major. Includes all costs associated with efforts, including contractual services, directly or incident to granting the use of real or personal property to others or denial thereof, such as commercial concessions, industrial uses, public parks and recreation, quasi-public and group camp use, fish and wildlife management, complex agricultural and grazing uses, military maneuver operations, roads and utilities associated with relocation contracts and situations where availability determinations must be made and mineral lease review. Includes the cost of environmental, historical and archaeological reviews, surveys, and recommendations; preparation of management plans, review of master plans, supplements and appendices; screening with other Government agencies where appropriate, advertising, preparation and distribution of bids/proposals, mapping, negotiations, preparation and execution of outgrants, renewal, extension, and cancellation/termination documents, review of development plans and third party subgrants, responses to requests for use of real or related property; review of recreation cost-share, water storage contracts and application for mineral leases.

51.26

Outgrants - Minor. Includes all costs associated with all efforts related to outgranting the use of real or personal property to others, or the denial thereof, for purposes such as waterlines, powerlines, communication lines, hay and grazing purposes, roads, streets, and any other such uses where formal advertising is waived or considered not beneficial to the Government, as well as requests to drill for oil or gas on government-owned property where no oil or gas lease is required. Includes environmental review unless categorically excluded, survey and recommendation; mapping, negotiations, preparation and execution of outgrants, renewal, extension and cancellation/termination documents and responses to request for use of real or related personal property.

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
* Number

Subfeature Title and Description

51.3 Other Operation and Maintenance Expenses. Includes such items as cost of operating manuals and instructions, training of operating personnel, power operations, disposal costs pertaining to salvage of miscellaneous construction materials, etc. Subdivisions may be established as warranted.

* 51.4 Revenues Derived from Outleasing (Grants) Returned to States. Includes amounts for payment to states from receipts credited to 965090. Receipts from leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes (para 6-17). Contra credit will be to Subfeature 91.3 (GL 133.413) Transfers of Cost or Property (Net) - Payments to States.

51.5 Audits. Includes all cost related to the preparation of real estate audit assemblies such as; verification and authentication, by tract, each real estate activity required in connection with acquisition, relocation, extinguishment of outstanding rights, land interchange, acquisition or subordination of third party interests, deficiency awards, disposal, etc.

51.6 Timber Harvesting. Includes all administrative costs incurred in connection with timber harvesting program, such as contract administration, inspection, and staff supervision of production and harvesting of timber. Reimbursements will be credited to Subfeature 51.92, Other Income (Cr).

*

8-36d (next page is 8-37)

* Subfeature * Number	Subfeature Title and Description
* 51.8	<u>Income - Repayments and Cost Distributions.</u> Subdivisions of this subfeature will be maintained as warranted to record repayments and cost distributions in connection with operation and maintenance activities during construction, excluding real estate management income which is to be recorded in Subfeature No. 51.91, and other miscellaneous receipts to be recorded in Subfeature No. 51.92.
51.9	<u>Income - Miscellaneous Receipts.</u>
* 51.91	<u>Real Estate Management Income.</u> This subfeature is credited with income derived from the issuance of grants and licenses for the use of land. Contra debit will be to Feature 94, Funds Returned to U. S. Treasury - Corps of Engineers (Dr).
* 51.92	<u>Other Income.</u> This subfeature includes income resulting from operation and maintenance activities during construction other than real estate management income which, when collected, will be deposited to the general fund of the U. S. Treasury. Contra debit will be to Feature 94, Funds Returned to U. S. Treasury - Corps of Engineers (Dr).
* 52.	<u>SURVEYS AND LAYOUTS.</u> This feature includes costs of detailed construction layout and as-built drawings not directly applicable to specific features; and surveys and monumentation for record purposes. This feature will be distributed on an equitable basis to permanent work not more frequently than at the close of each fiscal year, except in cases where it is necessary to determine the total costs applicable to a feature or subfeature. Surveys for design purposes will be included in Feature 30, Engineering and Design.
* 53.	<u>REAL ESTATE ADMINISTRATIVE ACTIVITIES.</u> Includes the cost of all real estate effort of a general nature, not chargeable to a specific feature, i.e., replies to Congressional and public inquiries of a general nature; investigating and processing claims for damages; processing permanent change of station applications; evaluation of requests for acquisition of exclusive legislative jurisdiction; participation in mobilization

*

* Feature
Number

Feature Title and Description

53 con-
tinued:

exercises; review of Public Notices, reports, etc.; records maintenance; programming; office administration and other like items.

*

NOTE: The following features, as appropriate, will be maintained in the cost accounts for each construction project.

* 61.

PROVISION FOR DEPRECIATION AND AMORTIZATION, PLANT IN SERVICE (CR) (GL 102). This valuation feature is used to record the amount of depreciable plant in service of multiple purpose projects and amortization of intangible plant in service of such projects. This feature will reflect depreciation and amortization applicable to facilities such as specific power, navigation, flood control, etc., and joint facilities.

* 65.

PLANT, PROPERTY, AND EQUIPMENT IN PROCESS OF RETIREMENT (GL 108.1). This feature will be used to record the cost of all property being retired, transferred from general ledger account 101.12.

*

* 71.1

Undistributed Interest During Construction (GL 107). This subfeature includes the interest during construction which is applicable to the construction Work In Progress on multiple purpose projects. Currently this account will be charged for the applicable portion of the interest on the Government's investment in construction Work In Progress. When features, or parts thereof, are completed and transferred to Plant In Service accounts, the applicable interest will be charged to the Plant In Service accounts and this account credited.

* 71.2

Interest Expense (Rehab. - Gross) (GL 171). This subfeature will be charged with the gross annual interest chargeable to operations of multiple purpose projects in connection with work performed under major and minor rehabilitation programs. Contra credit will be to Feature 92. Sub-division of this account will be maintained to reflect the allocation of interest expense to the prime functions (purposes) of the project.

* Subfeature
Number

Subfeature Title and Description

- 71.3 Interest Expense (Rehab.) Charged to Construction (Cr)
(GL 171). This subfeature will be credited with the amount of interest expense, charged to subfeature 71.2 which is applicable to additions to multiple purpose projects which will be capitalized upon completion of the particular rehabilitation job. Contra debit will be to subfeature 71.1. Subdivision of this subfeature will be maintained to reflect the allocation of interest expense to the prime functions (purposes) of the project.
78. WORK IN PROGRESS TRANSFERRED TO PLANT IN SERVICE (GL 101)
(Reserved for COEMIS, see COEMIS USER'S MANUAL FOR DESCRIPTION AND APPLICATIONS).
- 80.- INCOME AND CREDITS TO OPERATIONS - REHABILITATION.
- 80.4- Retirement Receipts - Multiple Purpose Projects (Cr)
(GL 108.3). The subfeatures under this caption will be credited with the receipts from retirement, under minor and major rehabilitation programs, of multiple purpose project property.
- 80.41 Fee Land (Cr). This subfeature will be credited with income from the sale of land with or without standing timber or crops.
- 80.42 Buildings and Improvements (Cr). This subfeature will be credited with income from the sale of buildings and improvements in place (including equipment) to be removed by the purchaser.
- 80.43 Other Disposal Receipts (Cr). This subfeature will be credited with income from disposals not included in Subfeatures 80.41 and 80.42. It will be further subdivided as warranted.
87. ABANDONED AND RETIRED PROPERTY (Other than Multiple Purpose Projects) (GL 132). This feature includes the cost of property retired from other than multiple purpose projects. Detailed guidance for the use of this feature is contained in the description for General Ledger control account 132 as presented in paragraph 2-2. *
88. TRANSFERS FROM WORK IN PROGRESS (Cr) (GL 107) (Reserved for COEMIS, see COEMIS USER'S MANUAL FOR DESCRIPTION AND APPLICATION).

ER 37-2-10
Change 54
28 Feb 85

* Feature
Number

Feature Title and Description

89. NON-FUNDED CONTRACTOR'S EARNINGS (GL 142). This feature is credited with the amount of estimated earnings, in excess of a continuing contract monetary limitations, charged to the feature accounts for work performed by the contractor at his own risk.
90. EXPENDITURES - PRIOR YEARS (GL 131.241). This feature includes the net amount of expenditures (accrued expenditures less reimbursements) for prior fiscal years.
- 91.- TRANSFERS OF COST OR PPOPERTY (Net) (GL 133.11). This feature includes the costs transferred to or from civil projects where such transfers are made on a non-funded basis.
- 91.1 (Reserved)
- 91.2 Other Transfers. This subfeature is used to record all transfers of cost to or from civil projects on a non-funded basis for which a specific subfeature is not provided.
- 91-3 Payments to States. This subfeature is used to record the portion of the proceeds derived from the outlease of lands acquired for flood control, navigation and allied purposes returned to states at the end of each fiscal year.
- 91.4 (Reserved)
92. INTEREST ON GOVERNMENT INVESTMENT (Cr) (GL 134). This feature includes the total interest accrued on the Government Investment in multiple purpose projects.
93. INCOMPLETE REHABILITATION WORK (Cr)(GL 107 or 171). This feature includes all applied costs for operations, maintenance of project plant, depreciation and amortization expense, interest expense on remaining investment in projects, interest expense on net investment charged to construction, payments made to states from grant revenues, and for retirement work on other than multiple purpose projects. (Reserved for COEMIS.)
94. FUNDS RETURNED TO U. S. TREASURY BY CORPS OF ENGINEERS (DR) (GL 113.1 and 135.1). This feature will be debited with the amount of any income or earnings collected by the Corps and intended to be covered into the General Fund or a Special receipt account of the U. S. Treasury, and not to the credit of an appropriation.

*

* Feature
Number

Feature Title and Description

95. FUNDS RETURNED TO U. S. TREASURY BY OTHER GOVERNMENT AGENCIES (Dr) GL 113.1 and 135.2). This feature includes the total amount of funds, relating to Corps of Engineers projects, collected for deposit in the U. S. Treasury by other Government agencies. Such deposits may be for the account of the Corps based on agreement between the Corps and the agencies concerned; for allocated revenue from multiple purpose projects; or for income to the Government derived from the use of Corps projects by private interests based on agreements between other Government agencies and the private interest involved (e.g., Federal Power Commission Licenses). Necessary arrangements with the agencies concerned for obtaining the financial data, with respect to the sale of power and similar revenues of multiple purpose projects, will be initiated by the Chief of Engineers. Data covering income from all other sources will be obtained by the District Commander from the nearest Regional Office of the agency involved. The cost feature will be maintained in a manner to permit identification of the agencies involved.
- 96.- NONREIMBURSABLE COSTS. This feature includes the net costs (expenses less income) of prior fiscal years and year-end entries of the current fiscal year, transferred from for operational activities. The following subfeature items are prescribed for this feature:
- 96.1 Operation and Maintenance (GL 136.11)
 - 96.2 Net Gain or Loss on Retirement of Land
(Multiple Purpose Projects) (GL 136.6)
- 97.- STATUS OF COST RECOVERY - REIMBURSABLE COSTS. This feature includes the accumulated net recovery of project costs for reimbursable or revenue producing purposes such as power, irrigation, water supply, etc. Elements of cost included are operating and maintenance income and expense, depreciation and amortization of plant in service, miscellaneous non-operating income, and gain or loss on retirement of land.
- 97.1 Results from Operations (GL 137.1). This subfeature includes the net cumulative balance, either debit or credit, of net income of projects resulting from reimbursable or revenue producing operations, such as electric power, irrigation, water supply, etc.

*

8-40a

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 97.2 Net Gain or Loss on Retirement of Land (Multiple Purpose Projects)(GL 137.2). This subfeature includes the net amounts relating to retirement of fee owned land allocated to reimbursable project purposes.
- 97.3 Investment Recovery on Non-Multiple Purpose Projects (GL 137.3). This subfeature includes the net amounts relating to expense and/or income resulting from a partial repayment of the federal investment in non-multiple purpose projects.
98. ADVANCES RECEIVED FOR OPERATION AND MAINTENANCE (Cr) (GL 143). This feature includes the amount received in advance for operations and maintenance, including contributed or advanced funds and securities deposited in escrow.
99. CONTRIBUTIONS IN AID OF CONSTRUCTION (Cr) (GL 138.1). This feature includes net donations from states, municipalities, Government agencies or others for construction purposes. *

e. Work Order Cost Accounts - Permanent Features 01 thru 20. Cost accounts will be maintained for all construction Work In Progress on Work Order Cost Account, ENG Form 3012 or ledger Form 17A (Costs). A separate sheet will be used for each Work Order issued or for the minimum detail of features, subfeatures, etc., included in the programming document for each project. If hired labor, as well as contract work is involved, a separate ENG Form 3012 or Form 17A (Costs) will be set up for each. The procedures for accounting for costs by work orders are contained in Chapter 6 of this regulation. The costs of construction contracts, hired labor work, and government furnished materials and services will be allocated as incurred to the appropriate columns of ENG Form 3012, which is designed to meet the requirements for reporting in accordance with the budget structure. The explanation of the elements of costs to be recorded in the various columns of the forms follows:

(1) Construction Contract (Col. 1). Includes contractor's earnings under the construction contract, and contracts for fabrication and installation of equipment purchased for a specific purpose and which can only become an integral part of a particular identified component, e.g., turbines, generators, gates, etc. Special care will be taken to insure correct citation of contract number in Source of Entry and Particulars column on ENG Form 3012. In case more than one contract is entered into on a single feature, subfeature, etc., the first column on ENG Form 3012 will not be used, but ledger Form 17A (Costs) will be used with a column for each contract properly identified by contractor's name and contract number to reflect earnings by individual contract.

(2) Hired Labor (Col. 1). Includes labor cost of employees actually engaged in construction work at the project site.

(3) Government-furnished Materials and Services (Col. 2). Includes costs of all materials and supplies, regardless of method of procurement, including miscellaneous stock items, services furnished contractors as outlined in the provision of the contract, value engineering, and travel expense of employees whose labor is costed as provided in (2) above. This cost element will be maintained in the minimum breakdown required for work order cost accounts.

(4) Construction Facilities (Col. 3). Includes prorated charge-offs of operation and maintenance of construction facilities to specific work orders. The amounts entered in this column will include costs of rental of equipment, as well as the operators salary and all attendant costs.

* (5) Engineering and Design (Col. 4). This element of cost will be currently maintained in subfeature Accounts 30.1 thru 30.7, as applicable, for the entire project, and will be identified to specific permanent features of construction when transferred to Plant In Service. *

(6) Surveys and Layouts (Col. 5). Includes the costs of detailed construction layout directly applicable to specific features. It also includes costs of detailed construction layout, surveys, and monumentation for record purposes, and as-built drawings distributed from Account 52 Surveys and Layouts.

(7) Inspection (Col. 6). This element of cost will be currently maintained as a portion of the feature Supervision and Administration (Account 31) and will be allocated to specific permanent features of construction when transferred to Plant In Service.

(8) Other Distributive Costs (Col. 7). This will include distributive costs not otherwise provided for.

For accounts other than permanent feature accounts (except Lands and Damages), Form 17A (Costs) is usually more adaptable and should be used in all cases where ENG Form 3012 is not suitable. All cost ledger sheets will have indicated thereon the applicable General Ledger control account number.

f. Cost Subsidiary Accounts for Rehabilitation. Cost accounts will be established for each Construction, General project for rehabilitation jobs within the framework of the preceding uniform cost account classification on the basis of programming documents and/or approved Work Order/Completion Report, ENG Form 3013. All cost accounts will be maintained on Form 17A (Costs) or Work Order Cost Account, ENG Form 3012.

g. General Ledger Controls.

(1) Permanent Features and Subfeatures. Cost subsidiary accounts maintained for the applied costs to permanent features 01 thru 31 are controlled by General Ledger Account 107 for construction Work In Progress, i.e., General Construction - Authorized Design and Construction; and Construction, Mississippi River and Tributaries, during the period of design and construction and/or prior to construction completion and transfer from Work In Progress as provided in subpara 8-4h. For construction projects not involving power, transfers of completed costs will be made in the General Ledger to the appropriate 101 Plant In Service, account when the entire project

or separately authorized modification is completed. The completed work order cost (subsidiary) accounts will then become accounts subsidiary to the General Ledger control account for Plant In Service. For projects involving power and other projects which have transfers to Plant In Service upon completion of features, subfeatures, or components, subsidiary cost accounts established for Plant In Service will be controlled by the appropriate 101, Plant In Service, account. Advance engineering and design costs, incurred prior to authorization for construction of a project, will be controlled by General Ledger Account 107. In the event that it is later determined that the project is not to be constructed, the costs accumulated for advance engineering and design will be transferred in the General Ledger to Account 136.4 Nonreimbursable Costs - Preliminary Work for Unfeasible Construction Projects.

(2) Feature and Subfeature Accounts for Rehabilitation. Rehabilitation accounts, other than additions and retirements under multiple purpose projects, are controlled by General Ledger Account 171 during the fiscal year. Total costs for jobs recorded in the subsidiary accounts during the fiscal year will be transferred to subsidiary Account 96.1, General Ledger Account 136.11, or subsidiary Account 97.1, General Ledger Account 137.1, as appropriate, at the end of the fiscal year. Total costs for jobs that have not been completed during the fiscal year will be brought forward in the subsidiary accounts to the applicable 01-31 accounts and notations will be made on the ledger sheets to the effect that the balances brought forward from the prior fiscal year are controlled by General Ledger Accounts 136.11 or 137.1. In such instances care will be exercised to insure that, in the fiscal year in which additional job costs are incurred, only the current fiscal year costs are closed to General Ledger Accounts 136.11 or 137.1 and that in the final year total of all costs which have been carried forward from year to year are closed to subsidiary Accounts 96.1 or 97.1. Additions and retirements under multiple purpose projects are controlled by General Ledger Accounts 107. and 108. - series, respectively, until the individual rehabilitation jobs are completed. When work orders covering additions are completed, the costs will be transferred in the General Ledger, to Plant In Service, Account 101. -, as of the close of the month in which physical completion occurs. When work orders covering retirements, other than fee land, are completed, the applicable costs and related retirement receipts will be transferred from General Ledger Accounts 108.1, 108.2 and 108.3 to Account 102, as of the close of the month in which the disposal of retired property is completed. For retirement work orders pertaining to fee land, the amounts will be transferred, in the General Ledger, to Account 136.6 Nonreimbursable Costs - Net Gain or Loss on Retirement of

ER 37-2-10
Change 23
21 Sep 73

Land (allocated amounts relating to nonreimbursable purposes), and Account 137.2 Status of Cost Recovery - Reimbursable Costs, Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (amounts relating to revenue producing or other reimbursable purposes).

(3) Distributive, Miscellaneous, and Reconciliation Accounts. The accounts maintained under this subdivision are controlled by several General Ledger accounts, (para 8-4b contains specific applicable General Ledger accounts).

h. Completion Reports and Transfers from Construction Work In Progress. Work Order/Completion Report, ENG Form 3013, will be prepared and processed in accordance with the provisions of Chapter 6 when features, subfeatures, or components under the features 01 thru 20 have been physically completed. Upon receipt of these Work Order Completion Reports in the Finance and Accounting Branch, and distribution of the portions of the distributive costs applicable to completed construction features has been effected, transfers to Plant In Service will be made as follows:

(1) Construction costs, including the related cost of Engineering and Design, and Supervision and Administration, in connection with all projects except multiple purpose projects, and those to be transferred to other agencies, or to local interests, will be transferred to the applicable General Ledger Account 101. -Plant In Service from the construction Work In Progress account usually when the entire project or separately authorized modification is completed. However, some flood control and navigation projects, because of the nature of work involved, consist of a number of separable physical units which, in conformance with the provisions of para 4a (Note 1) Chapter 3, ER 11-2-101 will be considered as a separate entity under the project, or under a separately authorized modification thereof. When such separable physical units are completed, the costs of each will be transferred to the applicable Plant In Service account as of the close of the month of completion. When dams and appurtenances essential to the operation of the unit (e.g., spillways and outlet works for dams) are 100% physically complete and begin to serve the purpose for which intended, they will be transferred to Plant In Service regardless of whether or not they are considered a separable physical unit. Additional costs incurred after transfer to Plant In Service upon physical completion should be transferred to Plant In Service at the end of each fiscal year until financial completion has been accomplished. The method of transfer of such costs to Plant In Service will be in conformance with applicable portions of the procedure established for completed facilities for multiple purpose projects, etc., as described in para 8-4h(2), below. The costs recorded for Engi-

neering and Design, and Supervision and Administration will be distributed and posted to the permanent feature cost accounts at the time of transfer to Plant In Service to complete the work order cost accounts.

(2) For multiple purpose projects, and other projects not treated in the manner as prescribed in (1), above, the gross costs of Engineering and Design, and Supervision and Administration will remain in the feature accounts established therefor. At the time a completed portion of the project is ready for transfer from construction Work In Progress to the Plant In Service account, the following illustrated procedure will be observed:

(a) The total construction cost of the facility to be transferred will be determined inclusive of engineering, design, supervision and administration costs, interest during construction, and other costs applicable thereto. The total amount so determined will be credited to the General Ledger account for construction Work In Progress, * and to a credit form, ENG Form 17, (subsidiary to that General Ledger account) for the project, on which the following minimum breakdown of cost will be provided for each feature, subfeature, or lesser unit, as appropriate:

1 Direct construction costs (GL 107) (hired labor work, contractors' earnings including land payments, materials, and applied construction facilities).

2 Engineering and design.

3 Supervision and administration.

4 Interest during construction.

5 Other distributive costs.

6 Total transferred.

(b) The total cost transferred from Work In Progress will be debited to the General Ledger account for Plant In Service, and to subsidiary Plant In Service cost accounts for the project. These subsidiary Plant In Service accounts will provide the following minimum breakdown of cost for each feature, subfeature, etc., as applicable:

1 Land acquisition payments (GL 101. -).

2 Land acquisition expense (GL 101. -).

*

ER 37-2-10
Change 25
30 Jun 74

3 Construction costs (GL 101. -) (direct construction costs, engineering, design, supervision, administration, other distributive costs).

4 Interest during construction (GL 101. -).

5 Retirement credits (for retirements from GL 101. -).

6 Balance.

The foregoing procedure will provide direct relationship; between the work order cost accounts and program and performance reports; and between the subsidiary accounts for construction Work In Progress, the subsidiary accounts for Plant In Service, and the related General Ledger control accounts. The timing of and additional instructions relating to transfer of completed construction pertinent to multiple purpose projects to Plant In Service, is contained in para 8-7, Special Accounting Treatment for Multiple Purpose Projects.

(3) Construction costs in connection with projects which are transferred after completion to other agencies or to local interests will be transferred, in the General Ledger, to Account 133.9 Projects Transferred to Other Agencies or Local Interests from the construction Work In Progress account when the following conditions are met:

(a) The other agency or local interest, as applicable, has been notified of the transfer of responsibility for operation and maintenance of a separable physical unit of a project (or the entire project).

(b) Final costs for the items to be transferred have been recorded.

8-4.1 Flood Control and Coastal Emergencies. The cost accounts under this appropriation will consist of two groups, i. e., (1) Emergency Activities and (2) Clearing, Credit, Miscellaneous, and Reconciliation Accounts. The uniform cost account classification with descriptions and procedure to be followed in establishing accounts and recording costs for emergency activities and appropriation reimbursement activity reimbursable work, and relation to General Ledger control accounts follows:

a. Chart of Accounts for Emergency Activities Projects.

(1) Emergency Activities Accounts (General Ledger Account 180). This series of accounts covers costs of labor, supplies, ma-

terial, equipment, parts, and incidental expense incurred in connection with Flood Control and Coastal Emergencies.

<u>Account Number</u>	<u>Account Title</u>
* 201.-	DISASTER PREPAREDNESS PROGRAM
.1	Plans
.2	Training
.3	Exercises
.4	Supplies and Equipment
.5	Program Management
202.-	EMERGENCY OPERATIONS
.1	Flood Fight and Rescue Operations
.2	After Action Reporting
.3	Field Investigations
203.-	REHABILITATION
.1	Federal Flood Control Works
.2	Non-Federal Flood Control Works
.3	Federal Hurricane and Shore Protection Works
.4	Field Investigations
204.-	EMERGENCY WATER SUPPLIES AND DROUGHT ASSISTANCE
.1	Emergency Water Supplies (Contaminated Source)
.2	Drought Assistance
.3	Field Investigations
205.-	ADVANCE MEASURES
.1	Advance Measures Assistance
.2	Field Investigations
206.-	HAZARD MITIGATION
.1	Hazard Mitigation Team Activities
235.-	SUPERVISION AND ADMINISTRATION
.1	Project Office Costs
.11	Review of Shop Drawings
.12	Other Project Office Costs
.2	Area Office Costs
.21	Review of Shop Drawings
.22	Other Supervision and Inspection
.27	Area Overhead
.3	District Office Expenses
.31	Review of Shop Drawings
.32	Other Supervision and Inspection

*

ER 37-2-10
Change 56
15 Aug 85

Feature
Number

Title

235.4-	District Overhead
.41	District Overhead - Engr - S&A on Contract
.42	District Overhead - Engr - All Other
.43	District Overhead - Real Estate
.45	District Overhead - Other Activities - S&A on Contract
.46	District Overhead - Other Activities All Other
.5	Expenses Billed by Other Offices
.6	Damages Assessed Other than E&D Contractors

(2) Clearing, Credit, Miscellaneous, and Reconciliation (Applicable General Ledger accounts are indicated below). Definitions of the * features hereunder as required are the same as for equivalent Operations and Maintenance General accounts.

* Feature
Number

236.-	PREPAYMENTS AND ADVANCES (GL 116. -)
.1	Prepayments to Other Government Agencies (GL 116.1)
.2	(Reserved)
.3	Other Advances (GL 116.3)
237.	(Reserved)
238.1	Work in Progress for Others - Refunds (GL 117.1)
.2	Work in Progress for Others - Appropriation Reim- bursement Activity (GL 117.2)
* .3	Work in Progress for Other COE Activities - Reimbursable (GL 117.3)

*

239.	UNAPPLIED ADVANCES FOR ACCRUED COST (GL 179)
240.	UNDISTRIBUTED JOB-SITE LABOR (GL 179)
242.	UNAPPLIED PAYMENTS TO CONTRACTORS (GL 179)
249.	CLAIMS RECEIVABLE (GL 114)
252.	SURVEYS AND LAYOUTS (GL 179)

* Feature
Number

266.-	CLEARING ACCOUNTS (GL 179)
266.8	Leasing Program
266.9	Other Clearing Accounts (Specify)
280.-	INCOME AND CREDITS TO OPERATIONS
.2	Credits to Operations (GL 162)
.21	Collections for Subsistence, Quarters, Services, etc.
.22	Income from Grants and Sundry Disposals
.23	Contributions for Emergency Activities
.3-	Nonoperating Income (GL 163)
.31	Collections for Damages to Government Property
.32	Other Nonoperating Income (Specify)
289.	NONFUNDED CONTRACTOR'S EARNINGS (GL 142)
290.	EXPENDITURES - PRIOR YEARS (GL 131.241)

8-48a (next page is 8-49)

* <u>Feature Number</u>	<u>Feature Title</u>
291.-	TRANSFERS OF COST OF PROPERTY (Net) (GL 133.11)
.2	Other Transfers
.3	(Reserved)
294	FUNDS RETURNED TO U. S. TREASURY BY CORPS OF ENGINEERS (Dr) (GL 113.1; 135.1)
295.	FUNDS RETURNED TO U. S. TREASURY BY OTHER GOVERNMENT AGENCIES (Dr) (GL 113.1; 135.2)
296.	NONREIMBURSABLE COSTS (GL 136.7)
298.	ADVANCES RECEIVED FOR EMERGENCY ACTIVITIES (Cr) (GL 143)

- * b. Descriptions of Accounts for Emergency Activities Projects.
Descriptions of the above features, subfeature accounts are contained below. Additional descriptive data is contained in pertinent General Ledger accounts, Chart B, Chapter 2 and in ER 11-2-320.

<u>Feature Number</u>	<u>Feature Title and Description</u>
201.-	<u>Disaster Preparedness Program.</u> This feature includes those activities in the areas of planning, training, exercises, procurement of supplies and equipment, operation and maintenance of facilities and equipment, and program management required to insure that the division or district is ready to respond to a broad range of disasters and emergencies. Costs detailed under each subfeature of this feature are to be used in conjunction with activities approved under the category/class descriptions provided in ER 11-2-320, dated 18 Dec 79. All personnel costs and any contracting required to accomplish approved activities will be reflected in the proper subfeature.
201.1	<u>Plans.</u> Costs included in this subfeature include the development, preparation, coordination, and publication of required plans, supplements, manuals, SOP, Memorandum of Understanding or Memorandum of Agreement.
201.2	<u>Training.</u> Costs included in this subfeature include development of training programs, conducting training sessions, procurement of required training aids, and participation in inter- or intra-agency training (courses, seminars, workshops, etc.).

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 201.3 Exercises. Costs included in this subfeature include the development of, preparation for and participation in approved inter- or intra-agency exercises to test plans, personnel, training and facilities to insure readiness to respond.
- 201.4 Supplies and Equipment. Costs included in this subfeature are for the procurement, rental, storage and maintenance of supplies, equipment or facilities required to support emergency response and recovery activities.
- 201.5 Program Management. Costs included in this subfeature are the program management activities required to support preparedness such as general coordination, personnel administration, general correspondence preparation, budget development, program reporting and other general support activities.
- 202.- Emergency Operations. This feature includes field investigations of flood potential, emergency flood fighting and rescue operations, the protection of Federally authorized shore and hurricane protection projects and the preparation of after action reports. A separate series of accounts should be maintained to segregate the cost of each flood or other emergency.
- 202.1 Field Investigations. Costs included in this subfeature are for special investigations of flood or coastal storm potential to obtain data not otherwise available and provide upward reporting on the situation.
- 202.2 Flood Fight and Rescue. Costs included in this subfeature include activities and items required to support other agency or supplement state and local flood emergency operations such as furnishing technical advice and assistance, flood fighting materials and contracted services.
- 202.3 After Action Reporting. Costs included in this subfeature include those data collection activities incidental to flood emergency operations as well as the preparation of after action reports.

*

* <u>Feature Number</u>	<u>Feature Title and Description</u>
203.-	<u>Rehabilitation.</u> Included in this feature are investigations of damages to flood control works and Federally authorized hurricane or shore protection works, and the accomplishment of authorized rehabilitation projects. Accounts pertaining to the physical components of a project may be maintained as desired.
203.1	<u>Federal Flood Control Works.</u> Costs included in this subfeature are for the rehabilitation of eligible Corps of Engineers constructed flood control projects, or components thereof, which were authorized and funded by the Federal Government and are operated and maintained by local interests.
203.2	<u>Non-Federal Flood Control Works.</u> Costs included in this subfeature are for the rehabilitation of non-Federal flood control works that have been determined to be eligible for repair.
203.3	<u>Federal Hurricane and Shore Protection Works.</u> Costs included in this subfeature are for the repair and restoration of eligible Federally authorized and constructed hurricane and shore protection works.
203.4	<u>Field Investigations.</u> Costs included in this subfeature are for investigation of and report preparation for proposed rehabilitation projects. For authorized projects, these costs are transferred to the other subfeatures of this feature.
204.-	<u>Emergency Water Supplies and Drought Assistance.</u> Included in this feature are investigations to determine the eligibility for assistance, the provision of emergency drinking water due to contaminated source problems, and the drilling of wells or transport of water to farmers, ranchers and political subdivisions within areas determined to be drought distressed.
204.1	<u>Emergency Water Supplies (Contaminated Source).</u> Costs included in this subfeature are for the provision of emergency drinking water to a locality confronted with a source of contaminated drinking water causing or likely to cause a substantial threat to the public health and welfare.

*

8-49b

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 204.2 Drought Assistance. Costs included in this subfeature include the transport of water for human and livestock consumption from a source to an area that has been determined to be drought distressed. It also includes the costs of well drilling until repaid by the farmer, rancher or political subdivision receiving assistance.
- 204.3 Field Investigations. Costs included in this subfeature are for investigation of and report preparation for potential projects to provide emergency drinking water or drought assistance. For authorized projects, these costs are transferred to the other subfeatures within this feature.
- 205.- Advance Measures. This feature includes investigations of and reports on measures to be undertaken prior to flooding or flood fight emergency work as authorized in ER 500-1-1. The costs of those advance measures projects which are approved by HQUSACE are included.
- 205.1 Advance Measures Assistance. Costs included in this subfeature are those measures determined to be appropriate which are undertaken to minimize the threat to life and improved property of an identified immediate flood threat. Work can be to improve existing flood control works, remove channel obstructions, provide temporary new flood control works and relieve the threat of possible dam failure.
- 205.2 Field Investigations. Costs included in this subfeature are for investigation of and report preparation for potential advance measures projects. For authorized projects, these costs are transferred to the other subfeature in this feature.
- 206.- Hazard Mitigation. This feature includes costs of participation on an activated Hazard Mitigation Team in response to a Presidentially declared disaster or emergency.
- 206.1 Hazard Mitigation Activities. Costs included in this subfeature are for all authorized activities associated with participation on an activated Hazard Mitigation Team.

*

8-49c

* Feature
Number

Feature Title and Description

- 235.- Supervision and Administration. This feature will accumulate the supervision and administration costs applicable to all flood control and coastal emergencies activities accomplished by contract and the costs incurred which are applicable to such work performed by hired labor. The following subfeatures will be maintained for each Flood Control and Coastal Emergencies Activities.
- 235.1 Project Office Costs. Includes all costs incurred by a project office in performing functions outlined in 235.- above. Costs charged to this subfeature will be subdivided as follows:
- 235.11 Review of Shop Drawings
 235.12 All Other Project Office Costs
- 235.2 Area Office Costs. This subfeature will include all costs incurred by an area office in performing the functions outlined in 235.- above. Costs charged to this subfeature will be subdivided as follows:
- 235.21 Review of Shop Drawings
 235.22 All Other Costs Project Office Costs
- 235.27 Area Overhead. This subfeature includes the distributive amount of net area overhead costs charged to a project.
- 235.3 District Office Expenses. This subfeature includes District Office Expenses chargeable to Activity features. The subdivisions hereunder will be charged with the cost of direct services performed by district office personnel for supervision and inspection; district office overhead; and amounts for similar work or services included in bills from other Corps of Engineers districts applicable to the project. Costs charged to this subfeature will be subdivided as follows:
- 235.31 Review of Shop Drawings
 235.32 All Other Expenses

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 235.4 District Overhead. This subfeature will be used to accumulate distributive amount of overhead costs applicable to all flood control and coastal emergencies activities in which costs are applicable to such work performed by hired labor. Costs will be divided into the following subfeatures:
- 235.41 District Overhead-Engr-S&A on Contract
 - 235.42 District Overhead-Engr-All Other
 - 235.43 District Overhead-Real Estate
 - 235.45 District Overhead-Other Activities-S&A on Contract
 - 235.46 District Overhead-Other Activities-All Other
- 235.5 Expenses Billed by Other Offices (excluding Overhead). This subfeature will be charged with costs billed by other offices for direct inspection services.
- 235.6 Damages Assessed Other than E&D Contractors. This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the contracting officer against other than E&D contractors for failure to complete the contracted work within the time specified by the contract and for liquidated damages assessed any contractors under the Work Hours Act of 1962. The net balance will be treated as a reduction in the supervision and administration costs and not as a reduction in the contractor's earnings applicable to other specific features.
- 236.- Prepayments and Advances (GL 116.-). This feature reflects the balance of cost accounts 236.1 and 236.3 for projects for which prepayments and advances are made.
- 236.1 Prepayments to Other Government Agencies (GL 116.1). This subfeature reflects the status of advances made to another agency from project funds. A separate account will be maintained for each agency. It will be debited with the amount of advances made. On the basis of cost or receiving reports, the account will be credited and the appropriate cost or expense account debited with the value of services or property received. It will also be credited with any unused balance of an advance returned by the agency.

*

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
236.2	(Reserved.)
236.3	<u>Other Advances (GL 116.3).</u> This subfeature reflects the status of advances from project funds, other than those accounted for under Subfeature 236.1, including advances to the Revolving Fund of the same or another district. A separate account will be maintained for each office or agency to which an advance is made. It will be debited with the amount of advances made. On the basis of cost or receiving reports, or billing from the Revolving Fund of the same district, the account will be credited and the appropriate expense account debited with the value of services or property received. It will also be credited with the balance of advance returned.
237.-	(Reserved.)
238.1	<u>Work in Progress for Others - Refunds (GL 117.1).</u> This subfeature reflects the unbilled amount of work performed for others with project funds, subject to repayment to be accounted for as appropriate refunds. A separate account will be maintained for each agency, firm, or individual. These accounts will be credited with the amounts of pertinent bills rendered to the customers.
238.2	<u>Work in Progress for Others - Appropriation Reimbursement Activity (GL 117.2).</u> This subfeature reflects the unbilled amount of work performed for others with funds made available by appropriation reimbursement apportionment, subject to repayment to be accounted for as appropriation reimbursements. A separate account will be maintained for each agency, firm, or individual. These accounts will be credited with the amounts of pertinent bills rendered to the customers.
* 238.3	<u>Work in Progress for Other CE Activities - Reimbursable (GL 117.3).</u> This subfeature reflects the unbilled amount of work performed for other Corps of Engineers activities (Districts, Divisions, etc.) with available funds, subject to repayment to be accounted for as appropriation reimbursements, under the provisions of properly executed and accepted Intra-Army Orders for Reimbursable Services (DA Form 2544) from other CE activities. A separate account will be maintained for each order received. The accounts will be credited with the amounts of all bills rendered to the ordering activity.

*

ER 37-2-10
Change 56
15 Aug 85

Feature
Number

Feature Title and Description

- 239.- UNAPPLIED ADVANCES FOR ACCRUED COSTS (GL 179). This feature will be debited with the estimated end of the month cost distributions representing payments due to other appropriations or projects and credited with the estimated cost distributions representing amounts due from other appropriations or projects. Posting media will be Bureau Voucher, ENG Form 3006, representing accrued expenditure or receivable, as appropriate. A separate account will be maintained for each appropriation or project to which accrued cost distributions are charged or credited. Prior to closing cost accounts for the month, these accounts will be debited with the actual cost distributions due from, and credited with actual cost distributions due to each applicable project. Posting media will be Journal Entry, ENG Form 3007. The balance of this account will either be closed out by use of ENG Form 3006 as of the beginning of the following month or it may remain open and the balance taken into consideration in arriving at the estimated cost distributions to be recorded at the end of the following monthly accounting period.
- 240.- UNDISTRIBUTED JOB-SITE LABOR (GL 179). This feature includes the estimated labor cost accrued to the end of the month on the project, which it is impracticable to distribute to the specific work accounts prior to closing cost accounts for a monthly accounting period. The charges to this account will be reversed at the beginning of the following month.
- 242.- UNAPPLIED PAYMENTS TO CONTRACTORS (GL 179). This feature includes payments to contractors in advance of the performance of work or service and will be subdivided by contractors, and further subdivided by methods of application of payment, where appropriate.
- 249.- CLAIMS RECEIVABLE (GL 114). This feature reflects the balance of claims or receivables which may not be collectible because of pending or subsequent litigation or adjudication or other reasons. This feature will be debited with the amounts of such claims. This feature will be credited with amounts of claims canceled or reclassified from claims receivable to accounts receivable upon collection.

ER 37-2-10
Change 56
15 Aug 85

Feature
Number

Feature Title and Description

- | | |
|-------|---|
| 252.- | <u>SURVEYS AND LAYOUTS (GL 179).</u> This feature will be maintained, where applicable. |
| 266.- | <u>CLEARING ACCOUNTS (GL 179).</u> This feature includes all cost incurred for emergency activities other than applied costs. |

8-49g.1 (next page is 8-49h)

* Feature
Number

Feature Title and Description

- 266.8 Leasing Program. Includes all costs, including contractual services directly involved in acquisition of leaseholds by negotiations, condemnation or assignment from GSA. Includes ownership data, preparation of maps and descriptions, negotiations and related work for new leases; supplemental agreements, renewals; restorations under lease provisions; condemnation petitions and declarations of taking; and space requests to GSA. Also, includes preparation of plans, estimates, etc., for initial alterations to leased facilities.
- 266.9 Other Clearing Accounts (Specify). This subfeature includes cost that is not included in feature 266.
- 280.- Income and Credits to Operations. This feature will be credited with all income accrued from operations, including income from sale of power and water, etc.
- 280.2 Credits to Operations (GL 162). The subfeatures under this caption will be credited with earnings other than income derived from operation of the project in the performance of its major purposes. The following subfeatures will be maintained to record the various types of credits to operations.
- 280.21 Collections for Subsistence, Quarters, Services, etc. (Cr). Subdivision of this subfeature will be maintained to record earnings by types of services, etc., such as for subsistence, quarters and utilities furnished employees occupying government-owned dwellings. Include earnings for electric energy except when such earnings are required to be deposited to U. S. Treasury as miscellaneous receipts.
- 280.22 Income from Grants and Sundry Disposals. This subfeature will be credited with earnings in connection with temporary grants, including leases for temporary use of buildings and facilities for concessions; leases of land; royalties; sale of crops and timber separate from land; sale of salvage and scrap from excess real property (e.g., demolished buildings, etc); and with earnings not elsewhere provided for.

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 280.23 Contributions for Emergency Activities. This subfeature is credited with all emergency activity funds contributed by local interests.
- 280.3 Nonoperating Income (Cr) (GL 163). The subfeature under this caption will be credited with extraordinary income of the project. The following subfeatures will be maintained to show credits for the various types.
- 280.31 Collection for Damages to Government Property (Cr). This subfeature will be credited for income accrued, including payroll deductions, applicable to damages to project property, including damages such as are recoverable from vessel operations.
- 280.32 Other Nonoperating Income (Specify). All nonoperating income not included in subfeature 280.31.
- 289.- Nonfunded Contractor's Earnings (GL 142). This feature is credited with the amount of estimated earnings, in excess of a continuing contract monetary limitations, charged to the feature accounts for work performed by the contractor at his own risk.
- 290.- Expenditures - Prior Years (GL 131.241). This feature includes the net amount of expenditures (accrued expenditures less reimbursements) for prior fiscal years.
- 291.- Transfers of Cost or Property (Net) (GL 133.11). This feature includes the costs transferred to or from civil projects where such transfers are made on a non-funded basis.
- 291.3 (Reserved.)
- 294.- Funds Returned to U.S. Treasury by Corps of Engineers (Dr) (GL 113.1 and 135.1). This feature will be debited with the amount of any income or earnings collected by the Corps and intended to be covered into the General Fund or a Special receipt account of the U. S. Treasury, and not to the credit of an appropriation. *

* Feature
Number

Feature Title and Description

- 295.- Funds Returned to U. S. Treasury by Other Government Agencies (Dr) (GL 113.1 and 135.2). This feature includes the total amount of funds, relating to Corps of Engineers projects, collected for deposit in the U. S. Treasury by other Government agencies.
- 296.- Nonreimbursable Costs (GL 136.7). This feature includes the net costs (expenses less income) of prior fiscal years and year-end entries of the current fiscal year, transferred from accounts for emergency activities.
- 298.- Advances Received for Emergency Activities (Cr) (GL 143). This feature includes the amount received in advance for emergency activities, including contributed or advanced funds and securities deposited in escrow.

c. Cost Subsidiary Accounts. Cost accounts will be established for each Emergency Activities project, emergency, or job in conformance with the foregoing uniform cost account classification on the basis of Advance Preparation Fiscal Year program and approved Work Orders, ENG Form 3013. Subfeatures 203.1 Flood Control Works, and 203.2 Federally Authorized Hurricane and Shore Protection Works, for which Work Order Cost Account, ENG Form 3012 will be used. Subfeatures maintained on ENG Form 17A may be grouped by feature accounts and one ENG Form 17A used for each group, with a separate column for each subfeature. Emergency Activities accounts and related income accounts under the Disaster Preparedness category will be cut off at the end of each fiscal year and new accounts set up for the following fiscal year. For the Emergency Operations and Rehabilitation categories, Emergency Activities accounts, and related income accounts will be cut off at the end of the fiscal year during which the job was completed.

*

d. General Ledger Controls.

(1) Emergency Activities Accounts.

(a) General. During the current fiscal year, emergency activities cost accounts are controlled by General Ledger Account 180, and related income accounts are controlled by General Ledger Accounts 162 and 163. Except as indicated below, the costs and related incomes will be transferred at the end of the fiscal year to General Ledger Control Account 136.7 Nonreimbursable Costs-Flood Control and Coastal Emergencies.

(b) Rehabilitation. Fiscal year end treatment of Emergency Activities costs and related income in cost subsidiary and General Ledger control accounts will be as follows:

1 Current fiscal year costs for all rehabilitation work will be transferred to cost subsidiary Account 296, General Ledger Control Account 136.7.

2 Total costs to date for jobs not completed at the fiscal year end will be brought forward to new cost subsidiary Accounts 203 thru 235 and 280, as applicable. Notation will be made on ledger sheets to the effect that balances brought forward are also included in cost subsidiary Account 296 and controlled by General Ledger Account 136.7. Care will be exercised to insure that in the fiscal year in which jobs are completed, only the additional current fiscal year job costs are transferred to cost subsidiary Account 296, General Ledger Control Account 136.7 at the end of the fiscal year during which such additional costs were incurred; and that at the end of the fiscal year in which jobs are completed, the total costs brought forward have been closed to cost subsidiary Account 296.

(2) Clearing, Credit, Miscellaneous, and Reconciliation Accounts. The accounts in this group are controlled by various General Ledger accounts, indicated in para 8-4.1a(2), above. Insofar as practicable, amounts in accounts subsidiary to General Ledger Control Account 179 will be distributed at the end of the fiscal year.

ER 37-2-10
Change 56
15 Aug 85

(3) For additional information relative to General Ledger control accounts, see paragraph 2-22.

8-5. Operation and Maintenance, General. Cost accounts under this appropriation will be maintained in three groups, i.e., (1) Operation, (2) Maintenance, and (3) Clearing, Credit, Miscellaneous, and Memorandum Accounts. The uniform cost account classification, with descriptions and procedures to be followed in establishing and recording costs for operation and maintenance projects and appropriation reimbursement activity-reimbursable work, and relation to General Ledger control accounts follows:

a. Chart of Accounts for Operation and Maintenance Projects.

(1) Operation Accounts (General Ledger Account 171). For Multiple Purpose Projects including Power, and for projects without at-site power production which provide downstream hydro-electric power benefits, the operation accounts cover labor, supplies, material, and other expenses incidental to the operation of the project under the features defined in paragraph 8-5b(1) below and ER 11-2-101. The assignment of costs to the operating accounts shall conform, insofar as practicable, to the definition and instructions included in the Operating Expense Instructions, and Operation and Maintenance Expense Accounts of the Federal Power Commission Uniform System of Accounts, effective 1 January 1970. For other Civil Works projects, this series of accounts covers operating labor, supplies, material, parts, routine operating repairs, and recurring minor maintenance work and expenses incidental to continuous or day-to-day functioning of the project; general regulatory functions; and collection and dissemination of technical data in connection with completed projects and such special purposes as navigation on the Great Lakes and associated waters.

* Feature Number	Title
601.-	OPERATION OF LOCKS, DAMS, AND RESERVOIRS
.1	Locks (N01)
.2	Dams (X01)
.3	Reservoirs (X02)
602.-	OPERATION OF SERVICE FACILITIES
.1	Roads, Railroads and Bridges (X03)
.2	Buildings, Grounds and Utilities (X04)
.3	Permanent Operating Equipment (X05)
.4	Operation of Hydraulic Model in South Pacific Division (E01)

*

* Feature Number	Title
603.-	OPERATION OF FLOOD CONTROL STRUCTURES
.1	Operation of Hurricane Barrier Gates and Other Flood Control Structures (F01)
.2	Pumping Plant Operations (F02)
604.-	OPERATION OF POWER PLANTS (H01)
.1	Operation Supervision and Engineering
.2	Hydraulic Expenses
.3	Electric Expenses
.4	Miscellaneous Hydraulic Power Generation Expenses
.5	Joint Expenses - Credit
605.-	NATURAL RESOURCE MANAGEMENT
.1	Management of Natural Resources Excluding Fish Hatcheries (R01)
.2	Operation of Fish Hatcheries (R05)
.3	Fish Passage Activities (R06)
.4	Management of Archaeological and Cultural Resources (R02)
606.-	RECREATION MANAGEMENT
.1	Management of Recreation Areas and Facilities (R03)
.2	Operation of Visitor Centers (R04)
.3	Management of Recreation Areas and Facilities Using Special Recreation User Fee Funds (R21)
.4	Master Plans (R08)
607.-	CONDITION AND OPERATION STUDIES AND ACTIVITIES
.1	Dredging Studies
.11	Project Condition Sediment Surveys (E04)
.12	Environmental Dredging Studies and Monitoring Activities (E05)
.13	Other Dredging Studies (E03)
.2	Periodic Inspections
.21	Instrumentation (E19)
.22	Continuing Evaluation Data Gathering Inspection (E17)
.23	Formal Periodic Inspections (E06)
.24	Periodic Inspection Reporting (E20)
.3	Reserved
.4	Dam Safety Activities
.41	Dam Safety Studies (E07)
.42	Dam Failure Emergency Planning (E09)
.5	Other Studies in Support of Operations
.51	Commercial Activities Studies (S01)
.52	Energy Conservation Studies and Activities (S06)

*

ER 37-2-10
Change 56
15 Aug 85

* Feature Number	Title
607.-	CONDITION AND OPERATION STUDIES AND ACTIVITIES CONTINUED
.53	Other Condition and Operation Studies (E02)
.54	Fisheries Development Activities (R07)
.55	Commercial Activities Efficiency Review (S09)
.6	Hydraulic Model Studies (E08)
609.-	WATER CONTROL MANAGEMENT
.1	Data Collection and Management for Water Control or Water Quality Activities (E10)
.2	Water Control
.21	Water Control Analysis (E11)
.22	Water Control Studies (E11)
.3	Water Quality
.31	Water Quality Analysis (E12)
.32	Water Quality Studies (E12)
610.-	INSPECTIONS AND REPORTS
.1	Inspections
.11	Inspections of Completed Works (E13)
.12	Inspections of Completed PL-99 Works (E14)
.2	Reports
.21	Answering Congressional Inquiries, White House Correspondence, Etc. (S02)
.22	Energy Conservation Reports (S07)
611.-	REAL ESTATE MANAGEMENT
.1	Management and Compliance Inspections of Leases, Outgrants, and Similar Agreements (P01)
.11	Major
.12	Minor
.2	Utilization Inspections (P02)
.21	Major
.22	Minor
.3	Reserved
.4	Outgranting (P01)
.41	Major
.42	Minor
.5	Audits (P07)

*

<u>Feature Number</u>	<u>Title</u>	
612.-	NATIONAL EMERGENCY PREPAREDNESS PROGRAM	
.1	Analysis/Studies	
.11	Requirements Analysis	
.12	Research and Development	
.2	Plans and Standing Operating Procedures	
* .21	Operational Plans (S10)	
.22	Standing Operating Procedures	
.3	Preparedness and Readiness Activities	
* .31	Resource (personnel, financial, material and time) Management Activities	
.32	Specialized Training Excluding PROSPECT and CONTRAST	
.33	Intergovernmental Activities and Services (excluding exercises)	*
.4	Readiness Exercises	
.41	JCS/DA	
.42	HQUSACE/COREX	
.43	Division/District	
.44	Intergovernmental	
* 613.-	OCCUPATIONAL AND SAFETY HEALTH ACT ACTIVITIES	
.1	OSHA Inspections (S03)	
.2	OSHA Medical Exams (S04)	
614.-	PREVENTION OF OBSTRUCTIVE AND INJURIOUS DEPOSITS (N01)	
615.-	GENERAL REGULATORY FUNCTIONS	
.1	Permit Processing (G01)	
.2	Enforcement and Surveillance (G02)	
.3	Studies Other than EIS's (G03)	
.4	Other Navigation Regulations (G04)	
616.-	LAW ENFORCEMENT	
.1	Law Enforcement Contract Costs (R09)	
.2	Supervision of Law Enforcement Contracts (R09)	
619.-	PROJECT OPERATIONS MANAGEMENT (S&A)	
.1	Project/Resident/Area Office	
.2	District Office	*

ER 37-2-10
Change 56
15 Aug 85

(2) Maintenance Accounts Including Additions and Retirements.
General Ledger Accounts: 171 for maintenance expense, 107 for additions to plant, and 108.2 for retirement work (subparas 8-5c, 8-7 and 8-8 for details). For Multiple-Purpose Projects including projects without at-side power production which provide downstream hydroelectric power benefits, the maintenance accounts cover the maintenance and repair of project components and facilities under the features defined in paragraph 8-5b(2) below and ER 11-2-101. The assignment of costs to maintenance expense accounts shall conform, insofar as practicable, to the definition and instructions outlined in Operating Expense Instructions and Operation and Maintenance Expense Accounts of the Federal Power Commission Uniform System of Accounts, effective 1 March 1965. In addition, the cost of additions, retirements, and replacements of units of property shall conform to the instructions contained in Electric Plant Instruction No. 10, of the FPC Uniform System of Accounts. For other Civil Works projects, this series of accounts covers annual and periodic repair (other than minor or ordinary) of structures or their components to preserve the useful life of such a structure or facility, as constructed or rehabilitated, including such betterments or improvements as would conform to modern design and practice, all within the scope of the authorized project or activity; and all maintenance and repair (other than minor or ordinary) of project components and facilities defined in subparagraphs 8-5b(2) and 8-8, below, and ER 11-2-101.

* Feature
Number

Title

620.-	LANDS AND DAMAGES
.1	Planning (P03)
.11	Pre-Authorization Planning
.12	Post-Authorization Planning
.13	Attorneys' Opinion of Compensability
.2	Acquisition (P03)
.21	Mapping, Surveying, and Tract Ownership
.22	Title Evidence
.23	Negotiations and Closings
.24	Condemnation (Pre-DT Filing)
.3	Appraisals (P03)
.31	Staff Appraisals
.32	Contract Appraisals
.4	Relocations, Condemnations, and Disposals (P03)
.41	Relocation Assistance
.42	Condemnation (Post-DT Filing)
.43	Disposals
.5	Temporary Permits (P03)
.6	Encroachments (P04)
.7	Timber Harvest (P08)

*

* Feature
Number

Title

620.-	LANDS AND DAMAGES CONTINUED
.8	Boundaries
.81	Boundary Monumentation (P05)
.82	Boundary Rectification and Maintenance (P06)
.9	Real Estate Payments (P03)
.91	Land Payments
.92	Relocation Assistance Payment (PL 91-646)
.93	Damage Payments
621.-	MAINTENANCE OF DAMS
.1	Dam Joint Use Facilities
.11	Dam Maintenance (X06)
.12	Dam Safety Modification (X12)
.13	Correction of OSHA Deficiencies on Dam Structures (S05)
.14	Maintenance of Dam Structures for Energy Conservation (S08)
.15	Instrumentation on Dam Structures (E19)
.2	Reservoir Maintenance (X07)
622.-	LOCK MAINTENANCE
.1	Lock and Salt Water Control Structure Maintenance (N03)
.2	Correction of OSHA Deficiencies on Lock Structures (S05)
.3	Maintenance of Lock Structures for Energy Conservation (S08)
.4	Instrumentation on Lock Structures (E19)
623.-	POWER PLANT MAINTENANCE
.1	Scheduled Power Plant Maintenance (H03)
.11	Maintenance Supervision
.12	Maintenance of Structures
.13	Maintenance of Electric Plant
.14	Maintenance of Miscellaneous Hydraulic Plant
.2	Non-Scheduled Power Plant Maintenance (H02)
.21	Maintenance Supervision
.22	Maintenance of Structures
.23	Maintenance of Electric Plant
.24	Maintenance of Miscellaneous Hydraulic Plant
.3	Comprehensive Replacement of Power Plant Equipment (H04)
.31	Maintenance Supervision
.32	Maintenance of Structures

*

ER 37-2-10
Change 56
15 Aug 85

* Feature
Number

Title

623.-	POWER PLANT MAINTENANCE CONTINUED
.33	Maintenance of Electric Plant
.34	Maintenance of Miscellaneous Hydraulic Plant
.4	Correction of OSHA Deficiencies on Power Plant Structures (S05)
.41	Maintenance Supervision
.42	Maintenance of Structures
.43	Maintenance of Electric Plant
.44	Maintenance of Miscellaneous Hydraulic Plant
.5	Maintenance of Power Plant Structures of Energy Conservation (S08)
.51	Maintenance Supervision
.52	Maintenance of Structures
.53	Maintenance of Electric Plant
.54	Maintenance of Miscellaneous Hydraulic Plant
624.-	NATURAL RESOURCE FACILITIES
.1	Maintenance of Natural Resource Facilities (R10)
.2	Maintenance of Fish Hatcheries and Fish Passage Facilities (R11)
.3	Maintenance of Archaeological and Cultural Buildings, Sites, Structures or Objects (R17)
625.-	MAINTENANCE OF ROADS, RAILROADS AND BRIDGES
.1	Non-Recreational Road, Railroad and Bridge Maintenance (X08)
.2	Correction of OSHA Deficiencies on Road, Railroad and Bridge Structures (S05)
.3	Maintenance of Road, Railroad and Bridge Structures for Energy Conservation (S08)
626.-	BREAKWATER, JETTY AND SEAWALL MAINTENANCE
.1	Breakwater, Jetty and Seawall Maintenance (N04)
.2	Correction of OSHA Deficiencies on Breakwater, Jetty and Seawall Structures (S05)
.3	Maintenance of Jetty, Breakwater and Seawall Structures for Energy Conservation (S08)
627.-	MAINTENANCE OF LEVEES AND FLOODWALLS AND OTHER NON-DREDGING FLOOD CONTROL MAINTENANCE
.1	Maintenance of Levees, Floodwalls, Hurricane Barriers and Other Flood Control Structures; Snagging, Clearing, Debris Removal and Other Non-Dredging Flood Control Maintenance (F03)

*

* Feature Number	Title
627.-	MAINTENANCE OF LEVEES AND FLOODWALLS AND OTHER NON-DREDGING FLOOD CONTROL MAINTENANCE CONTINUED
.2	Correction of OSHA Deficiencies on Levees, Floodwalls, Hurricane Barriers and Other Flood Control Structures (S05)
.3	Maintenance of Levees, Floodwalls, Hurricane Barriers and Other Flood Control Structures for Energy Conservation (S08)
.4	Instrumentation on Levees, Floodwalls, Hurricane Barriers, and Other Flood Control Structures (E19)
628.-	PUMPING PLANT MAINTENANCE
.1	Maintenance of Pumping Plants (F04)
.2	Correction of OSHA Deficiencies on Pumping Plants (S05)
.3	Maintenance of Pumping Plants for Energy Conservation (S08)
629.-	MAINTENANCE OF RECREATIONAL FACILITIES
.1	Maintenance of Recreation Facilities Including Buildings, Grounds and Utilities (R14)
.2	Road and Bridge Maintenance - Recreational (R12)
.3	Erosion Control in Recreation Areas (R13)
.4	Maintenance of Visitors' Centers (R15)
.5	Maintenance and Purchase of Permanent Operating Equipment for Recreational Purposes (R16)
.6	Correction of OSHA Deficiencies on Recreational Facilities (S05)
.7	Maintenance of Recreational Facilities for Energy Conservation (S08)
.8	Recreation Cost Sharing/Sanitary Deficiencies
.81	Correction of Sanitary Deficiencies (R18)
.82	Cost Shared Recreation Development Contracts (R19)
.83	Cost Shared Recreation Development Negotiations (R19)
.9	Maintenance Using Special Recreation User Fee Funds (R20)
630.-	MAINTENANCE AND/OR PURCHASE OF NON-RECREATIONAL PERMANENT OPERATING EQUIPMENT
.1	Purchase of Water Control Data System Equipment (E15)
.2	Maintenance and/or Purchase of Permanent Operating Equipment (X11)
.3	Correction of OSHA Deficiencies on Permanent Operating Equipment (S05)
.4	Maintenance and/or Purchase of Permanent Operating Equipment for Energy Conservation (S08)

*

ER 37-2-10
Change 56
15 Aug 85

* Feature
Number

Title

- 631.- BANK STABILIZATION, MAINTENANCE OF REVETMENTS AND DIKES
AND OTHER MEASURES TO PREVENT SLOUGHING OR MEANDERING OF
CHANNELS (X10)
- 632.- UTILITIES, SUPPLIES AND MAINTENANCE AND/OR CONSTRUCTION
OF NON-RECREATIONAL BUILDINGS AND GROUNDS
- .1 Maintenance of Non-recreational Buildings, Grounds
and Utilities (X09)
- .2 Correction of OSHA Deficiencies in Buildings,
Grounds and Utilities (S05)
- .3 Maintenance of Buildings, Grounds and Utilities
for Energy Conservation (S08)
- .4 Maintenance of Hydraulic Models in South Pacific
Division (E16)
- .5 Reserved
- .6 Emergency Facilities
- .61 Emergency Operations Center Development/Maintenance
- .62 Emergency Relocation Center Development/Maintenance
- 633.- CHANNEL AND CANAL MAINTENANCE
- .1 Dredging of Channels and Canals
- .11 Dredging of Channels and Canals for Navigation
(D01)
- .12 Dredging of Channels and Canals for Flood Control
(F05)
- .2 Non-Dredging Maintenance
- .21 Non-Dredging Navigation Channel Maintenance;
Clearing, Aquatic Plant Removal, Rock and
Removal of Other Obstructions (N06; N05)
- .22 Maintenance of Revetments, Groins or Dikes to
Control Current in Order to Maintain Depth of
Channel (N07)
- .23 Correction of OSHA Deficiencies on Revetments,
Groins or Dikes (S05)
- .3 Dredged Material Disposal
- .31 Dredged Material Disposal Facility Construction
(D02)
- .32 Dredged Material Disposal Facility Maintenance
(D02)
- 634.- ENGINEERING AND DESIGN (E&D)
- .1 Project Structures
- .11 Non-Dam Safety
- .12 Dam Safety
- .13 Locks

*

<u>Feature Number</u>	<u>Title</u>
* 634.-	ENGINEERING AND DESIGN (E&D) CONTINUED
.14	Power Plants
.15	Breakwater, Jetties and Seawalls
.16	Levees and Floodwalls
.17	Pumping Plants
.18	Bank Stabilization
.2	Channel and Canal Excavation
.21	Dredging
.22	Non-Dredging Maintenance
.23	Dredged Material Disposal
.3	Facilities
.31	Natural Resources
.32	Recreation
.33	Roads, Railroads and Bridges
.34	Permanent Operating Equipment
.35	Buildings, Grounds and Utilities
.4	Damages Assessed E&D Contractors
.5	E&D - Real Estate Activities-Local Cooperation- Compliance by Local Interests
635.-	SUPERVISION AND ADMINISTRATION (S&A)
.1	Project/Resident/Area Office
.2	District Office
.3	Contractors (Cr)

(3) Clearing, Credit, Miscellaneous, and Memorandum Features. *
(Applicable General Ledger Accounts are indicated below.)

<u>Feature Number</u>	<u>Title</u>
636.-	PREPAYMENTS AND ADVANCES (GL 116.-)
.1	Prepayments to Other Government Agencies (GL 116.1)
.2	(Reserved)
.3	Other Advances (GL 116.3)
.4	Real Estate - Relocation Assistance - Loans to Profit and Nonprofit Organizations Under PL 91-646 (GL 116.4)
637.	(RESERVED)
638.1	Work In Progress for Others - Refunds (GL 117.1)
.2	Work In Progress for Others - Appropriation Reimbursement Activity (GL 117.2)
.3	Work In Progress for Other CE Activities - Reimbursable (GL 117.3)

ER 37-2-10
Change 56
15 Aug 85

<u>Feature Number</u>	<u>Title</u>
639	UNAPPLIED ADVANCES FOR ACCRUED COST (GL 179)
640	UNDISTRIBUTED JOB-SITE LABOR (GL 179)
641	STORES (GL 179)
642	UNAPPLIED PAYMENTS TO CONTRACTORS (GL 179)
649	CLAIMS RECEIVABLE (GL 114)
650.-	CONSTRUCTION FACILITIES (GL 107, 171)
.1	Assets (Identify by major assets)
.4	Assets Disposal Expenses
.49	Real Estate Disposals
.5	Operation and Maintenance Expense
	<u>Income - (Credit Accounts)</u>
.9	Miscellaneous Receipts
652	SURVEYS AND LAYOUTS
653	REAL ESTATE ADMINISTRATIVE ACTIVITIES (GL 179)
665	PLANT, PROPERTY, AND EQUIPMENT IN PROCESS OF RETIREMENT (GL 108.1)
666.-	CLEARING ACCOUNTS (GL 179)
.1	Warehouse Operations
.2	Shop Operations
.8-	Real Estate - Inleasing Program
.82	Inleasing - Non-Recruiting Facilities
.83	Relocation Assistance
.84	Disposals
.85	Relocation Assistance Payments (PL 91-646)
.86	Rents, Initial Alterations and Restorations
.9	Other Clearing Accounts (Specify)
671.-	INTEREST EXPENSE
.1	Undistributed Interest (O&M) During Construction (GL 107)
.2	Interest Expense (O&M - Gross) (GL 171)

* <u>Account</u> <u>Number</u>	<u>Title</u>	*
671.3	Interest Expense (O&M) Charged to Construction (Cr) (GL 171)	
672.	(RESERVED)	
673.	(RESERVED)	
674.	DEPRECIATION AND AMORTIZATION EXPENSE (GL 171)	
675.	PAYMENTS TO STATES FROM GRANT REVENUES (GL 171)	
678.	WORK IN PROGRESS TRANSFERRED TO PLANT IN SERVICE (GL 101) (Reserved for COEMIS, see COEMIS User's Manual for description and application)	
680.-	INCOME AND CREDITS TO OPERATIONS	
.1-	Operating Income (Cr) (GL 161)	
.11	Sale of Power - for Resale	
.12	Sale of Power - Interdepartmental Sales	
.13	Sale of Power - Other Sales (Specify)	
.15	Sale of Water	
.19	Other Operating Income	
.2-	Credits to Operations (Cr) (GL 162)	
.21	Collections for Subsistence, Quar- ters, Services, etc.	
.22	Income from Grants and Sundry Disposals	
.23	Income from Recreational Fees PL 88-578	
.24	Income from Refuse Permit Fees	
.25	Income from Lakeshore Use Permit Fees	
.3-	Nonoperating Income (Cr) (GL 163)	
.31	Collections for Damages to Government Property	
.32	Disposal Receipts - Fee Land	
.33	Disposal Receipts - Buildings and Improvements	

ER 37-2-10
Change 36
22 Mar 78

* <u>Account Number</u>	<u>Title</u>	*
680.34	Other Disposal Receipts	
.35	Other Nonoperating Income	
.4-	Retirement Receipts - Multiple	
	Purpose Projects (Cr) (GL 108.3)	
.41	Fee Land	
.42	Buildings and Improvements	
.43	Other Disposal Receipts	
685.-	JOINT EXPENSES - MULTIPLE PUR- -POSE PROJECTS (No General Ledger Account required)	
.1	Joint Facilities Expense Allocated to Electric Generation (Dr)	
.2	Joint Facilities Expense Allocated to Other Functions (Dr)	
686.	JOINT FACILITIES EXPENSE ALLO- CATION (Cr) (No General Ledger Account required)	
687.	ABANDONED AND RETIRED PROP- ERTY (Other than Multiple Purpose) (GL 132)	
688.	TRANSFERS TO PLANT IN SERVICE (PIS) FROM WORK IN PROGRESS (WIP) (GL 107)	
689.	NONFUNDED CONTRACTOR'S EARNINGS (GL 142)	
690.	EXPENDITURES - PRIOR YEARS (GL 131.241)	
691.-	TRANSFERS OF COST OR PROPERTY (Net) (GL 133.11)	
.1	(Reserved)	
.2	Other Transfers	
.3	Payments to States	
.4	(Reserved)	
692.	INTEREST ON GOVERNMENT IN- VESTMENT (Cr) (GL 134)	
693.	INCOMPLETE REHABILITATION WORK - (Cr) (GL 107 or 171) (Reserved for COEMIS)	

<u>Feature Number</u>	<u>Title</u>
694.	FUNDS RETURNED TO U. S. TREASURY BY CORPS OF ENGINEERS (Dr) (GL 113.1; 135.1)
695.	FUNDS RETURNED TO U. S. TREASURY BY OTHER GOVERNMENT AGENCIES (Dr) (GL 113.1; 135.2)
696.-	NONREIMBURSABLE COSTS
.1	Operation and Maintenance (GL 136.11)
.2	Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (GL 136.6)
697.-	STATUS OF COST RECOVERY - REIMBURSABLE COSTS
.1	Results from Operations (GL 137.1)
.2	Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (GL 137.2)
.3	Investment Recovery on Non-Multiple Purpose Projects (GL 137.3)
698.	ADVANCES RECEIVED FOR OPERATION AND MAINTENANCE (Cr) (GL 143)

b. Descriptions of Permanent Features and Subfeatures for Operation and Maintenance Projects (General Ledger Account 171). With the exception of certain subfeatures prescribed for specific purposes, adequate descriptions for the foregoing features are contained in ER 11-2-101 and ER 1130-2-337, pertinent General Ledger accounts, Chart B, Chapter 2, and in paragraph 8-8. Additional information with respect to specific subfeatures is furnished herein below.

<u>Feature Number</u>	<u>Feature Title and Description</u>
* 601.-	OPERATION OF LOCKS, DAMS AND RESERVOIRS
601.1	<u>Locks.</u> Includes all costs associated with operating lock gates and/or hoists and associated equipment; maintaining lock records; removing debris, ice and snow, cleanup of lock facilities; routine adjusting of meters, relays, instruments, radios and regular equipment; lubrication of equipment, and necessary materials, supplies, equipment and transportation costs associated with operation of the lock.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 601.2 Dams (X01). Includes all costs associated with the operation of spillway gates, intake and outlet works, sluiceways and regulating orifices for reservoir regulation; removing and disposing of ice, snow, trash and debris on or in vicinity of dam or dam structures; cleanup of dam structures and facilities; routine testing and adjustment of gages, meters, instruments and relays in dam structure; removal, disposal and control of weeds, brush, trees and aquatic growths on earth-fill dams; grass cutting and disposal on earth-fill dams; and necessary materials, supplies, equipment and transportation associated with the operation of this activity. Costs associated with power intake works should be included in 604. When this subfeature includes municipal or industrial water delivery facilities, a separate subfeature should be established to record appropriate costs for each such facility for cost allocation purposes.
- 601.3 Reservoirs (X02). Includes all costs to perform reservoir inspections and patrols; removal and control of trash and debris not covered in accounts associated with power plant and dam operation and recreation management; minor bank erosion control; minor cleaning of reservoir area for weed, brush, trees and aquatic growth, boundary surveillance and minor boundary maintenance; insect control; and elimination of health and safety hazards; necessary materials, supplies, equipment and transportation costs associated with this operation activity.
- 602 OPERATION OF SERVICE FACILITIES.
- 602.1 Roads, Railroads and Bridges (X03). Includes all costs for operation of permanent roads - including the road across the top of the dam, and parking areas near the dam - railroads and bridges required for access and other purposes in connection with operation of the project. It also includes bridges provided as a project feature for the passage of highway and railway traffic over improved channels. This activity does not include access roads to recreational facilities and areas which will be charged to the feature cost code 606. Direct costs included in this activity are for example: snow and ice removal from project access roads, parking areas and walkways; sanding and salting project access roads, parking areas and walk-

*

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 602.1 - continued:	ways; minor patching, signs, ditch cleaning, culvert cleaning and similar duties; bridge operation; cleanup of project roads, railroads and bridges and equipment, materials, supplies and transportation costs associated with these activities.
602.2	<u>Buildings, Grounds and Utilities (X04)</u> . Includes all costs for the operation of project-owned permanent facilities such as operator's quarters, administration and shop buildings, storage buildings and areas, garage buildings and areas, community buildings, local streets and sidewalks, landscaping, and electric, gas, water and sewage facilities and all security and protective measures. Where space in a dam, powerhouse and other basic structure is used in lieu of any of the above-mentioned buildings, such allocated space is not separated from the basic structure. Buildings which house operating machinery and serve other purposes as well are included in this activity but the cost of operation of the machinery is charged to the appropriate feature. Buildings which are used to house specific operating machinery, spare parts, equipment, etc., should be charged to the appropriate feature. It excludes costs associated with the operation of hydraulic models in South Pacific Division and excludes costs associated with feature cost code 606.
602.3	<u>Permanent Operating Equipment (X05)</u> . Includes all costs for operation of all tools and equipment, such as laboratory, shop, warehousing, communications, surveys and transportation equipment and office furniture and equipment. Project-owned sedimentation and degradation measuring facilities, rainfall and stream-gaging device fixed sand by-passing systems and like equipment are also included. Includes direct costs of automotive and other equipment not assigned to specific features. Subsidiary accounts for vehicles will be maintained by group classifications as provided for Revolving Fund vehicles, with ledger format similar to Revolving Fund direct expense ledger. Operating costs of permanent equipment assigned to specific features will be charged to those features.
602.4	<u>Operation of Hydraulic Models in South Pacific Division (E01)</u> . Includes all costs to operate buildings, grounds and utilities that are part of the Los Angeles-Long Beach and San Francisco Bay hydraulic models located in South Pacific Division.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 603 OPERATION OF FLOOD CONTROL STRUCTURES.
- 603.1 Operation of Levees, Hurricane Barrier Gates, and Other Gated Flood Control Structures (F01). Includes all costs for operation of levees, hurricane barrier gates, and other gated flood control structures; removal of snow and ice from structures; and material, equipment, supplies and transportation costs required to perform this operating function.
- 603.2 Pumping Plant Operations (F02). Includes all costs for operating pumps and associated equipment; collecting and maintaining pumping plant operational records; routine replacement, purification and testing of insulating, lubricating and hydraulic oils; lubricating equipment; repacking glands and replacing electrical brushes; routine testing and adjustment of meters, relay, instruments and similar equipment; maintenance of fire fighting equipment; supplies, tools and equipment required for operating equipment; and removing ice, debris and snow from equipment; necessary material, supplies, equipment and transportation costs associated with this operation activity.
- 604 OPERATION OF POWER PLANTS.
- 604.1 Operation Supervision and Engineering. Includes all costs for labor, material, and expenses incurred in the general supervision of the operation of hydraulic generating stations. Direct supervision of specific activities will be charged to the appropriate accounts. (For convenience, all general supervision and engineering of electric power production by power plant superintendent and staff assistants may be recorded in this account currently during the fiscal year. At end of the fiscal year, prior to closing the accounts for the fiscal year, the amount determined to be applicable to maintenance activities, will be transferred to Maintenance Supervision.)
- 604.2 Hydraulic Expenses. Includes all costs for labor, materials, and expenses incurred in operating power intake works whether or not the powerhouse is an integral part of the intake dam.

*

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 604.3	<u>Electric Expenses.</u> Includes all costs for labor, materials, and expenses incurred in operating turbines, generators, auxiliary apparatus, switchgear, and other electric equipment to the point where electricity leaves for transmission by the marketing agency or other project. Keeping plant log and records and preparing reports of operation are included herein.
604.4	<u>Miscellaneous Hydraulic Power Generation Expenses.</u> Includes all costs for labor, materials, and expenses not specifically provided for in other power plant operation features. Includes custodial and other administrative services.
604.9	<u>Joint Expenses - Credit.</u> This subfeature will be credited with the services performed by power production facilities chargeable to nonpower producing facilities accounts, such as use of generator room crane to install lock equipment. This subfeature will be credited only with those charges made direct to budgeted items for services performed, which are not proper for inclusion in power production costs.
605	<u>NATURAL RESOURCE MANAGEMENT.</u>
605.1	<u>Management of Natural Resources (R01).</u> Includes all costs associated with the management of soil, water, vegetation, fish and wildlife and other elements essential to the total ecological management of specific projects; management of permits issued under authority of Title 36 Code of Federal Regulations; outlease management activities; wildlife preservation or improvement activities; forestry and range activities; citation authority programs outside developed recreation areas; management of trails; erosion control; and fire prevention. This subfeature excludes costs associated with fish hatcheries, fish passage and cultural resource management. Also, natural resource activities conducted for the enhancement of recreation areas should be costed under subfeature 606.1.
605.2	<u>Operation of Fish Hatcheries (R05).</u> Includes all costs associated with the operation of fish hatcheries, egg collecting stations and related facilities for provision of fish propagation. It does not include development activities included in feature cost code 607.54.

ER 37-2-10
Change 56
15 Aug 85

* Subfeature
Number

Subfeature Title and Description

- 605.3 Fish Passage Activities (R06). Includes all costs associated with operation of facilities and equipment for trapping, transportation and passage of fish at dams and navigation facilities. Facilities include ladders, elevators and locks. It does not include developmental activities included in feature cost code 607.54. Fish handling activities associated with dewatering, maintenance work, etc., are chargeable to the appropriate feature.
- 605.4 Management of Archaeological and Cultural Resources (R02). Includes all costs associated with identification, studies, literature searches, reconnaissance surveys, testing, and development of management plans for historical, archaeological and cultural resources. Also included are operations activities associated with identified historical, archaeological and cultural resources.
- 606 RECREATION MANAGEMENT.
- 606.1 Management of Recreation Areas and Facilities (R03). Includes all costs associated with rangers and recreation staff salaries, per diem, travel; signs and uniforms; costs of trash removal, cleanup, mowing, gate or park attendants, and other costs associated with management of recreation areas on the project including buildings, grounds, control of vegetation, roads, bridges, parking areas and permanent operating equipment utilized for recreation purposes. This includes costs of collecting and administering user fee programs at recreation sites. Also included in this account are costs for brochures and participation in recreation or public information-related exhibitions, public events, etc. This subfeature does not include costs related to the preparation of Master Plans, portions of Master Plans and other studies directly related to recreation management on the project nor costs for operating and managing visitor centers.
- 606.2 Operation of Visitor Centers (R04). Includes all costs associated with operations, including custodial duties and snow, ice and debris removal; lawn and shrubbery maintenance; utilities; exhibits; grounds and buildings material, and equipment costs. Any operational costs associated with visitor centers should not be charged to other accounts.

*

* Subfeature Number	Subfeature Title and Description
606.3	<u>Management of Recreation Areas and Facilities Using Special Recreation User Fee Funds (R21).</u> This subfeature is to be used to record all operation costs utilizing Special Recreation User Fee (SRUF) Funds. Includes all costs associated with the management of recreation areas and facilities as described in subfeature 606.1 where SRUF is applied.
606.4	<u>Master Plans (R08).</u> Includes all costs related to the preparation of Master Plans and supplements, Operational Management Plans and other studies directly related to recreation or natural resource management of specific projects.
607	<u>CONDITION AND OPERATION STUDIES AND ACTIVITIES.</u>
607.1	<u>Dredging Studies.</u>
607.11	<u>Project Condition Sediment Surveys (E04).</u> Includes all costs required to perform surveys and associated analyses for the purpose of providing sedimentation conditions in reservoir projects and in navigation projects.
607.12	<u>Environmental Dredging Studies and Monitoring Activities (E05).</u> Includes all costs to perform study and analysis activities associated with long-range environmental activities related to waterways. These are activities which are needed to assure that appropriate information and requirements are fulfilled so that E&D for dredging can be completed on a timely basis when dredging is needed.
607.13	<u>Other Dredging Studies (E03).</u> Includes all costs for studies related to dredging activities not included in subfeature cost codes 607.11 and 607.12.
607.2	<u>Periodic Inspections.</u>
607.21	<u>Instrumentation (E19).</u> Includes all costs for installation and maintenance of instruments in existing structures for safety evaluation purposes consistent with an approved plan. This includes instruments which allow the following types of measurements: horizontal and vertical movement, stresses and strains, pore pressure, phreatic surfaces, seismic effects, and seepage clarity and quantity.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 607.22 Continuing Evaluation Data Gathering Inspections (E17). Includes all costs of obtaining, analyzing and reporting instrumentation data consistent with the approved plan for the project.
- 607.23 Formal Periodic Inspections (E06). Includes all costs related to the scheduled periodic inspections of projects and bridges needed to meet inspection frequency requirements of ER 1110-2-100.
- 607.24 Periodic Inspections Reporting (E20). Includes all costs for the preparation of the periodic inspection report and associated follow-on activity.
- 607.4 Dam Safety Activities.
- 607.41 Dam Safety Studies (E07). Includes all costs for reconnaissance studies and special engineering investigations for known or suspected dam safety deficiencies, such as seismic evaluations, seepage studies, erosion studies, etc.
- 607.42 Dam Failure Emergency Planning (E09). Includes all costs for dam failure training of project personnel, preparation of flood emergency plans, dam contingency plans, dam surveillance plans, and provision of technical assistance to local interests concerning dam failure.
- 607.5 Other Studies in Support of Operations.
- 607.51 Commercial Activities Studies (S01). Includes all costs of studies related to carrying out analyses of functions that could be performed by private industry according to guidelines in OMB Circular A-76.
- 607.52 Energy Conservation Activities (S06). Includes all costs to initiate conservation/efficiency actions or actions to convert the energy demand from non-renewable resources to renewable resources (solar, hydropower, biomass or wind) at operational projects up to the engineering and design phase. Also includes costs to initiate or continue studies to develop or support potential energy conservation actions or activities.

*

Subfeature
Number

Subfeature Title and Description

- * 607.53 Other Condition and Operation Studies and Activities (E02). Includes all costs to prepare reconnaissance reports and studies related to the maintenance and rehabilitation at Corps operated and maintained Civil Works projects which are not already covered in other subfeature cost codes under feature cost code 607. Also included are hydrologic data collection and analysis not specified in feature cost code 609 as well as investigation of sunken vessels, the surveillance of northern boundary waters and the preparation of foundation reports, embankment criteria and operation and maintenance manuals.
- 607.54 Fisheries and Wildlife Development Activities (R07). Includes all cost of fish and wildlife studies applicable to a specific project and pro rata share of basin-wide fish and wildlife studies.
- 607.55 Commercial Activities Efficiency Reviews (S09). Includes all costs related to carrying out analyses of functions that have been exempted or excluded from the provisions of OMB Circular A-76 but are required to be subjected to an efficiency review under the OMB Productivity Improvement Program. Costs include those for preparation of the performance work statement and management study.
- 607.6 Hydraulic Model Studies (E08). Includes all costs related to hydraulic model analyses for Corps operated and maintained projects prior to the engineering and design phase.
- 609 WATER CONTROL MANAGEMENT.
- 609.1 Data Collection and Management for Water Control or Water Quality Activities (E10). Includes all costs related to operation and maintenance of equipment, personnel and space for data collection related to water control or water quality activities. It also includes funds transferred to other agencies and any similar items needed to accomplish this activity, excluding new water control data systems equipment under subfeature cost code 630.1.
- 609.2 Water Control. *

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 609.21 Water Control Analysis (E11). Includes all costs for preparation of routine regulation instructions and runoff forecasts, coordination with other agencies and entities, preparation of reservoir regulation manuals, dissemination of water control information, training, travel and other associated expenses required to make sound water control management decisions.
- 609.22 Water Control Studies (E11). Includes all costs for water management studies to improve efficiency or mitigate constraints on approved plans of regulation.
- 609.3 Water Quality.
- 609.31 Water Quality Analysis (E12). Includes all costs for reservoir and river analyses to improve the quality of water within and downstream from the reservoirs. This involves day-to-day decisions on multi-level releases and pro-rata share of office and computer facilities and other related costs associated with water control management.
- 609.32 Water Quality Studies (E12). Includes all costs related to studies of the means to mitigate water quality problems and studies to determine present and future water quality needs.
- 610 INSPECTIONS AND REPORTS.
- 610.1 Inspections.
- 610.11 Inspection of Completed Works (E13). Includes all costs related to the inspection of Federally-constructed, locally-operated and maintained projects with the exception of projects covered by PL 84-99 to assure compliance with local cooperative agreements.
- 610.12 Inspection of Completed PL 84-99 Works (E14). Includes all costs related to inspection of non-Federal flood protection or coastal emergency works constructed or rehabilitated under PL 84-99 to assure compliance with local cooperative agreements.
- 610.2 Reports.
- *

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 610.21	<u>Answering Congressional Inquiries, White House Correspondence, etc. (S02).</u> Includes all costs incurred while answering Congressional inquiries and reports and other inquiries and reports. This subfeature cost code also includes costs for special reports such as responses to the Inspector General, Army Audit Agency and General Accounting Office investigations of Civil Works O&M projects and activities.
610.22	<u>Energy Conservation Reports (S07).</u> Includes all costs to prepare energy conservation reports and collect energy data for the Defense Energy Information System (DEIS) under DOD directives to prepare annual Installation Energy Plan (IEP).
611	<u>REAL ESTATE MANAGEMENT.</u>
611.11	<u>Management and Compliance Inspections of Leases, Out-grants, and Similar Agreements (P01).</u>
611.11	<u>Major Compliance Inspections (P01).</u> Includes costs of all effort incident to performing inspections of property granted to others for purposes such as commercial concessions, industrial uses, public park and recreation, quasi-public and group camp use, fish and wildlife habitat management, selected agricultural and grazing uses and reconveyance clauses/restrictions in deeds requiring at least annual inspection to assure compliance with terms and conditions of the grant. Includes preparation of reports, determination of compliance after vacation of property subsequent to expiration or revocation of grant and corrective measures where noncompliance is noted.
611.12	<u>Minor Compliance Inspections (P01).</u> Includes the costs of all efforts incident to performing inspections of property granted or reserved to others for purposes such as road, street, waterline, powerline, and communication line rights-of-way and other uses covered by easements, licenses and permits that do not require an annual inspection to assure compliance with terms and conditions of grants. Includes report preparation, determination of compliance after vacation of property subsequent to expiration or revocation of grant, and corrective measures where noncompliance is noted.

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 611.2 Utilization Inspections.
- 611.21 Major Utilization Inspections (P02). Includes the costs of all effort incident to performing inspections of real property under the control of or subject to service agreement with the Corps where changes in utilization are known to occur frequently and substantially so as to require annual determination of proper utilization. Includes E.O. 12512 and E.O. 12411 surveys, BLM withdrawal reviews as applicable, and preparation of reports related to property utilization.
- 611.22 Minor Utilization Inspection (P02). Includes all costs related to efforts incident to performing inspections of recruiting offices, stream gage stations, radio operator sites, all other real property under the control of the Corps as well as property subject to utilization inspections under Memoranda of Agreement with other Federal agencies where utilization inspections are required on a less than annual frequency.
- 611.3 (Reserved).
- 611.4 Outgrants
- 611.41 Major Outgrants (P01). Includes all costs associated with efforts, including contractual services, directly or incident to granting the use of real or personal property to others or denial thereof, such as commercial concessions, industrial uses, public parks and recreation, quasi-public and group camp use, fish and wildlife management, complex agricultural and grazing uses, military maneuver operations, roads and utilities associated with relocation contracts and situations where availability determinations must be made. Includes the cost of preparation of management plans, review of master plans; supplements and appendices; screening with other Government agencies where appropriate, advertising, preparation and distribution of bids/proposals, mapping, negotiations, preparation and execution of outgrants, renewal, extension, and cancellation/termination documents, review of development plans and third party subgrants, responses to requests for use of real or related property; review of recreation cost-share, water storage contracts and application for mineral leases. *

Subfeature
Number

Subfeature Title and Description

- * 611.42 Minor Outgrants (P01). Includes all costs associated with all efforts related to outgranting the use of real or personal property to others, or the denial thereof, for purposes such as waterlines, powerlines, communication lines, hay and grazing purposes, roads, streets, and any other such uses where formal advertising is waived or considered not beneficial to the Government, as well as requests to drill for oil or gas on Government-owned property where no oil or gas lease is required. Includes survey and recommendation; mapping, negotiations, preparation and execution of outgrants, renewal, extension and cancellation/termination documents and responses to request for use of real or related personal property.
- 611.5 Audits (P07). Includes all costs related to the preparation of real estate audit assemblies, such as verification and authentication, by tract, each activity required in connection with acquisition, relocation, extinguishment of outstanding rights, land interchange, acquisition or subordination of third party interests, deficiency awards, disposal, etc.
- 612.- NATIONAL EMERGENCY PREPAREDNESS PROGRAM. Includes all costs of those planning and preparedness activities required to ensure that the division or district is ready to respond to a spectrum of national emergencies. Costs detailed under each subfeature of this feature are to be used in conjunction with activities approved under the category/class descriptions provided in ER 11-1-320. All personnel costs and any contracting required to accomplish approved activities will be reflected in the proper subfeature.
- 612.1 Analysis/Studies.
- 612.11 Requirements Analysis. Includes all costs for those activities involved in identifying and developing broad-based analysis, assessments, and studies used to support planning for national security and domestic emergencies.
- 612.12 Research and Development. Includes all costs associated with those research and data collection activities needed to carry out national emergency preparedness responsibilities.
- 612.2 Plans/Standing Operating Procedures.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 612.21 Operational Plans. Includes all costs associated with the development, preparation, coordination, and publication of required plans, supplements, and manuals.
- 612.22 Standing Operating Procedures. Includes all costs associated with the development, preparation, coordination and publication of required standing operating procedures.
- 612.3 Preparedness and Readiness Activities.
- 612.31 Resource Management Activities. Includes all costs associated with the program management activities required to support preparedness efforts such as general coordination, personnel administration, general correspondence preparation, budget development, program reporting and other general support activities.
- 612.32 Specialized Training. Includes all costs associated with the development of training programs, conducting training sessions, procurement of required training aids, and participation in inter- or intra-agency training (courses, seminars, workshops, etc.).
- 612.33 Intergovernmental Activities and Services. Includes all costs associated with those activities and services performed in conjunction with other Federal, state and local agencies to define mission and capabilities, to establish a mechanism for mutual support, and to establish a communication link which would continue to exist after a national security or domestic emergency.
- 612.4 Readiness Exercises.
- 612.41 JCS/DA. Includes all costs associated with the development of, preparation for and participation in JCS/DA directed exercises to test plans, personnel, training and facilities to ensure readiness to respond.
- 612.42 HQUSACE/COREX. Includes all costs associated with the development of, preparation for and participation in HQUSACE/COREX directed exercises to test plans, personnel, training and facilities to ensure readiness to respond.

*

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 612.43	<u>Division/District.</u> Includes all costs associated with the development of, preparation for and participation in division/district directed exercises to test plans, personnel, training and facilities to ensure readiness to respond.
612.44	<u>Intergovernmental.</u> Includes all costs associated with the development of, preparation for and participation in intergovernmental exercises to test plans, personnel, training and facilities to ensure readiness to respond.
613	<u>OCCUPATIONAL AND SAFETY HEALTH ACT ACTIVITIES.</u>
613.1	<u>OSHA Inspections (S03).</u> Includes all costs for special inspections to evaluate serious health or safety hazards at completed project and other inspections required by AR 385-10. This subfeature also includes costs for annual IH surveys.
613.2	<u>OSHA Medical Exams (S04).</u> Includes all costs for pre-employment and annual, job-related medical exams for Corps employees working directly at completed projects and who meet medical surveillance or hearing conservation program inclusion criteria of ER 385-1-89 and for Corps employees who are required to use respiratory protection or perform diving.
614	<u>PREVENTION OF OBSTRUCTIVE AND INJURIOUS DEPOSITS (N02).</u> Includes all costs related to the prevention of obstructive and injurious deposits as authorized by the act approved 29 June 1888, as amended. Also includes any required ground or aerial surveillance and follow-up actions on violations.
615	<u>GENERAL REGULATORY FUNCTIONS.</u>
615.1	<u>Processing of Permits (G01).</u> Includes all costs related to the review and evaluation of permit applications under sections 9, 10, 103, and 404 as well as assessments, EIS's and other NEPA work supporting this review. Cultural resource investigations, jurisdiction determinations, public hearings, and other activities related to applications evaluation are included as are general permit development and consideration of activities under general permits. Support items such as automated permit tracking systems or other computer or micro graphic support are also included.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 615.2 Enforcement and Surveillance (G02). Includes all costs related to compliance inspections, ground and aerial surveillance, unauthorized activities and jurisdiction determinations related to enforcement actions and follow-up on violations.
- 615.3 Navigability and Miscellaneous Studies (G03). Includes all costs related to studies such as jurisdiction studies, mapping, wetland studies, shoreline inventories, and collection of data for environmental data bases.
- 615.4 Other Regulatory Functions (G04). Includes all regulatory costs related to administration of the miscellaneous regulations such as fairways, navigation regulations, danger zones, restricted areas, plus review of 402 applications.
- 616 LAW ENFORCEMENT.
- 616.1 Law Enforcement Contract Agreements Costs (R09). Includes all costs of contracts or cooperative agreements for law enforcement with states and their political subdivisions under PL 94-587.
- 616.2 Supervision of Law Enforcement Contracts/Agreements (R09). Includes all technical and administrative charges for law enforcement activities which are not direct contract costs.
- 619 PROJECT OPERATIONS MANAGEMENT.
- 619.1 Project/Resident/Area Office. Includes costs for field personnel, both technical and administrative, and necessary supplies and materials located directly at the project/resident/area office site in support of an operational activity or contract which cannot be charged to a specific operations feature cost. This subfeature does not include costs for supervision of law enforcement contracts (subfeature cost code 616.2), condition and operation studies and activities (feature cost code 607), water control management (feature cost code 609), inspections and reports (feature cost code 610) and real estate management (feature cost code 611).
- *

Subfeature
Number

Subfeature Title and Description

- * 619.2 District Office. Includes all costs originating in the district office of a technical and administrative nature in support of operations activities which cannot be charged to a specific operations feature cost. This subfeature does not include costs for supervision of law enforcement contracts (subfeature cost code 616.2), condition and operation studies and activities (feature cost code 607), power plant supervision and engineering (feature cost code 604), inspections and reports (feature cost code 610), and real estate management (feature cost code 611), or any other activity that is more appropriately chargeable to a specific operations feature account.

(2) Maintenance Accounts, including Additions and Retirements.
(General Ledger Accounts 107, 108.2, and 171).

620 LANDS AND DAMAGES.

620.1 Planning.

620.11 Pre-Authorization Planning (P03). Includes all costs, except appraisal effort, directly associated with real estate planning during pre-authorization stages of a project, including preparation and review of real estate data in survey reports, feasibility studies, etc.; preparation of real estate planning reports and supplements thereto; preparation of site reports; etc.

620.12 Post-Authorization Planning (P03). Includes all costs, except appraisal effort, directly associated with real estate planning during post-authorization stages of a project, including preparation of real estate design memoranda and supplements thereto; preparation and review of real estate data in master plans, supplements and appendices; preparation of cemetery relocation plans; survey of potential replacement housing (PL 91-646); public meetings; etc.

620.13 Attorneys' Opinions of Compensability (P03). Includes all costs associated with the preparation of attorneys' opinion of compensability incorporated in relocations design memoranda.

620.2 Acquisition (P03). Includes all costs (except leasehold, local cooperation agreements and temporary permits) *

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 620.2-continued both staff and contractual services, directly incident to acquisition of real property and interests therein by purchase, condemnation, donation, exchange, reassignment transfer from other Federal agencies, permits, etc.
- 620.21 Mapping and Surveying, and Tract Ownership Data (P03). Includes all costs in connection with tract ownership data, surveys, writing descriptions, and mapping for real estate acquisition purposes.
- 620.22 Title Evidence (P03). Includes all costs in connection with obtaining title evidence.
- 620.23 Negotiations and Closings (P03). Includes all costs in connection with all negotiations conducted for acquisition of real property or interests therein by purchase, donation, exchange, reassignment or transfer; closing land purchase cases; title curative work; recordings of deeds, etc.; delivery of checks to landowners; preparation of attorneys' final opinions; negotiating relocation agreements; obtaining rights of entry for construction, and filing claims for water rights.
- 620.24 Condemnation (Pre-DT Filing) (P03). Includes all costs in connection with preparation of condemnation assemblies, including declarations of taking and the processing thereof, up to and including the filing of the case.
- 620.3 Appraisals (P03).
- 620.31 Staff Appraisals. Includes the costs of all effort of staff appraisers involved in completing appraisal reports such as inspecting the subject property, compiling and analyzing market, cost and income data, reviewing courthouse records, obtaining necessary information from other government agencies, preparing appraisal exhibits and appraisal review. Includes appraisals for the following purposes: acquisition, disposal, outgranting, mineral reports, timber cruises, gross appraisals, damage claims, homeowners assistance, planning, market analysis/feasibility reports.
- 620.32 Contract Appraisals. Includes all costs associated with effort by contractor personnel involved in completing appraisal reports. Also includes costs associated with appraisal review and each contract or purchase order for

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 620.32- continued	appraisal services such as inspection of property and comparable sales, review and/or inspection of comparative income, and cost information, selection of potential contract appraisers, negotiation of contracts and contract administration, and provision of technical assistance and advice to contract appraisers.
620.4	<u>Relocations, Condemnation, and Disposals.</u>
620.41	<u>Relocation Assistance (PL 91-646) (P03).</u> Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.
620.42	<u>Condemnation (Post-DT Filing) (P03).</u> Includes all costs involved in completing condemnation cases such as court exhibits, preparation for trials, testifying, stipulated settlement proposals, revestment actions, and other assistance to the Department of Justice.
620.43	<u>Disposals (P03).</u> Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes reviews, surveys and recommendations; preparation of maps, screening, advertising or waiver thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.
620.5	<u>Temporary Permits (P03).</u> Includes all costs incident to obtaining real estate use rights by permit, etc., for conducting military maneuvers, surveys, exploration and other short-term use. Includes procurement of ownership data, mapping, legal descriptions, negotiations, and the filing of condemnation, if necessary. Also, includes damage settlements thereunder.
620.6	<u>Encroachments (P04).</u> Includes all costs, except boundary line surveys and remarking in resolution of encroachments on project lands.
620.7	<u>Timber Harvest (P08).</u> Includes all administrative costs incurred in connection with the timber harvesting

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 620.7-
continued program, such as contract administration, inspection, and staff supervision of production and harvesting of timber. Reimbursements will be credited to subfeature 680.234, Other Nonoperating Income.
- 620.8 Boundary Monumentation.
- 620.81 Boundary Monumentation (P05). Includes all costs for the initial boundary line surveys and marking.
- 620.82 Boundary Maintenance and Rectification (P06). Includes all costs to resurvey and remark boundary lines and replace boundary monumentation. Also includes resurveying and remarking boundary lines for the purpose of settling boundary line disputes.
- 620.9 Real Estate Payments (P03).
- 620.91 Land Payments. Includes costs for negotiated purchase of real property or interest therein; transfers from other Government agencies with reimbursements; payments to U.S. District Courts for acquisition by Declaration of Taking (D/T), including deficiency judgments, interest payments, stipulated settlements, and judgments in straight condemnation; payments to local interests as reimbursement for rights-of-way, and costs and expenses arising under Sections 303 and 304, PL 91-646; dollar costs at time negotiated offer (option) accepted; check issued for filing of D/T or payment of deficiency; or reimbursement to other agencies.
- 620.92 Relocation Assistance Payments (PL 91-646). Includes costs for relocation expenses of owners and tenants and other losses and damages incurred as a direct result of moving occasioned by acquisition of land; other payments or expenses incurred under Sections 205, 206, and 215, PL 91-646. Dollar costs are to be shown as of the time payments accrue.
- 620.93 Damage Payments. Includes costs for claims arising from use and occupancy of real property in and to which fee, easements, or lesser interests were not acquired; payments for damage settlements under rights of entry. Costs are to be shown as of the time payments accrue.
- 621 MAINTENANCE OF DAMS. *

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 621.1	<u>Dam Joint Use Facilities.</u>
621.11	<u>Dam Maintenance (X06).</u> Includes direct costs for the maintenance, repair, replacement, betterment and additions to, or retirement of joint use facilities and equipment for dams, spillways, outlet works and auxiliary dams. This subfeature also includes costs for spare parts, special tools, miscellaneous supplies and materials and transportation costs required to perform this maintenance function.
621.12	<u>Dam Safety Modification (X12).</u> Includes direct costs for work pertaining to maintenance, repair or replacement of dam facilities as identified in approved dam safety reconnaissance studies and/or special investigation reports.
621.13	<u>Correction of OSHA Deficiencies on Dam Structures (S05).</u> Includes costs for correction of OSHA deficiencies identified by OSHA inspections of dam structures and facilities.
621.14	<u>Maintenance of Dam Structures for Energy Conservation (S08).</u> Includes all costs for developing, maintaining and/or installing facilities and equipment on dam structures and facilities (see subfeature 621.11) which will contribute to energy conservation.
621.15	<u>Instrumentation on Dam Structures (E19).</u> Includes all costs for installation of instruments for safety evaluation purposes consistent with an approved plan. They include instruments which allow the following types of measurements: horizontal and vertical movement, stresses and strains, pore pressure, phreatic surfaces, seismic surfaces and seepage clarity and quantity.
621.2	<u>Reservoir Maintenance (X07).</u> Includes all costs for maintenance, repair, replacement or betterment and additions to, or retirement of, the reservoir and facilities. These costs include floating trash booms; trash racks; erosion control; drainage; removal of debris or aquatic growth to ensure proper functioning of the reservoir; rim grouting or mine sealing, etc., to prevent leakage, etc., that are not directly associated with any other specific feature or subfeature.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 622 LOCK MAINTENANCE.
- 622.1 Lock and Salt Water Control Structure Maintenance (N03).
Includes all costs for the maintenance, repair, replacement, betterments and additions to, or retirement of, the lock structure and facilities for passage of waterborne traffic, including gates, valve operating machinery and shelter cribs, fills, lock walls, and guide and guard walls including dolphin within the lock approaches for tie up, guard, or guide purposes. This subfeature also includes related costs for spare parts, replacements, additions, special tools, miscellaneous supplies and materials and transportation costs for performing this maintenance function.
- 622.2 Correction of OSHA Deficiencies on Lock Structures (S05).
Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of lock structures and facilities (see subfeature 622.1).
- 622.3 Maintenance of Lock Structures for Energy Conservation (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment on lock structures and facilities (see subfeature 622.1) which will contribute to energy conservation.
- 622.4 Instrumentation on Lock Structures (E19). Includes all costs for installation of instruments for safety evaluation purposes consistent with an approved plan. This includes instruments which allow the following types of measurement: horizontal and vertical movement, stresses and strains, pore pressure, phreatic surfaces, seismic surfaces, and seepage clarity and quantity.
- 623 POWER PLANT MAINTENANCE. Costs for each subfeature for this feature will be further broken out into the following sub-subfeatures:
- Supervision and Engineering - Costs of labor, material and expenses incurred in general supervision of maintenance of hydraulic power generating stations. Direct supervision of specific jobs shall be charged to the appropriate maintenance feature.
- Maintenance of Structures - Costs of labor, material and expenses incurred in the maintenance, repair, replace-

Subfeature Number	Subfeature Title and Description
* 623- continued	ments, betterment and addition to or retirement of powerhouse, switchyard and intake works whether or not the powerhouse is an integral part of the intake dam. Maintenance of Electric Plant - Costs of labor, material and expenses incurred in the maintenance, repair, replacement, betterment and addition to or retirement of the power plant generating and accessory electrical equipment and switchyard electrical equipment. Maintenance of Miscellaneous Hydraulic Plant - Costs of labor, material, and expenses incurred in the maintenance, repair, replacement, betterment and addition to or retirement of the power plant and switchyard miscellaneous hydraulic plant.
623.1	<u>Scheduled Power Plant Maintenance (H03).</u> Includes all costs for performing cyclically scheduled maintenance of all power plant structures and facilities specifically required for the production, transmission, and distribution of power. Cyclically scheduled maintenance is defined as maintenance that is performed in intervals not exceeding four years. Power plant maintenance work includes: Maintenance, repair, replacements, betterments, and addition to or retirement of all power plant structures; of facilities and equipment required for the production, transmission and distribution of electrical power including but not limited to the powerhouse, spillway, low-flow bypass systems, storage facilities, turbines, motors, pumps, generators and governors; of all accessory electrical equipment and control systems; of all water, air and oil systems; of all intake structures with electrical and mechanical equipment; of the trail race, switchyard, transformer yard, elevators, trash racks; and of lighting and interior power distribution systems, cable tunnels, and conduit runs. Spare parts, special and regular tools, supplies and equipment, scaffolding and rental of specialized equipment. Labor, materials, and incidental expenses incurred to maintain maintenance records; expenses incurred by the power plant superintendent and staff assistants in the

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 623.1- continued general supervision of the maintenance of the hydraulic generating station; and transportation and per diem costs required to perform power plant maintenance functions. Costs for this subfeature will be further broken out as follows:

- 623.11 Maintenance Supervision
- 623.12 Maintenance of Structures
- 623.13 Maintenance of Electric Plant
- 623.14 Maintenance of Miscellaneous Hydraulic Plant

- 623.2 Nonscheduled Power Plant Maintenance (H02). Includes costs for performing noncyclical maintenance of power plant structures and facilities. Noncyclical maintenance is defined as any maintenance performed because of the breakdown of equipment and facilities or any maintenance not performed within a four-year cycle. Maintenance activities included in this subfeature are those activities detailed in subfeature cost code 623.1 which are of a noncyclical nature. Costs for this subfeature will be further broken out as follows:

- 623.21 Maintenance Supervision
- 623.22 Maintenance of Structures
- 623.23 Maintenance of Electric Plant
- 623.24 Maintenance of Miscellaneous Hydraulic Plant

- 623.3 Comprehensive Replacement of Power Plant Support Equipment and Facilities (H04). Includes all costs for a comprehensive equipment replacement program for power plant equipment which, viewed as an entire system, is at or near the end of its economic life and, therefore, replacement is needed to enhance efficiency and effectiveness of continued power plant operation. Costs for this subfeature will be further broken out as follows:

- 623.31 Maintenance Supervision
- 623.32 Maintenance of Structures
- 623.33 Maintenance of Electric Plant
- 623.34 Maintenance of Miscellaneous Hydraulic Plant

- 623.4 Correction of OSHA Deficiencies on Power Plant Structures (S05). Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of power plant structures and facilities. Costs for this subfeature will be further broken out as follows:

*

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 623.4- continued	623.41 Maintenance Supervision 623.42 Maintenance of Structures 623.43 Maintenance of Electric Plant 623.44 Maintenance of Miscellaneous Hydraulic Plant
623.5	<u>Maintenance of Power Plant Structures for Energy Conser-</u> <u>vation (S08).</u> Includes all costs for developing, main- taining and/or installing facilities and equipment on power plant structures which will contribute to energy conservation. Costs for this subfeature will be further broken out as follows: 623.51 Maintenance Supervision 623.52 Maintenance of Structures 623.53 Maintenance of Electric Plant 623.54 Maintenance of Miscellaneous Hydraulic Plant
624	<u>NATURAL RESOURCE FACILITIES.</u>
624.1	<u>Maintenance of Natural Resource Facilities (R10).</u> Includes all costs to perform maintenance needed to pre- serve natural resources and associated facilities located on project lands. This subfeature does not include maintenance of fish hatcheries.
624.2	<u>Maintenance of Fish Hatcheries and Fish Passage</u> <u>Facilities (R11).</u> Includes all costs required to maintain fish hatcheries and fish passage facilities.
624.3	<u>Mitigation of Archaeological and Cultural Buildings,</u> <u>Sites, Structures or Objects (R17).</u> Includes all costs for protecting, recovering, preserving or otherwise mitigating significant archaeological and/or cultural buildings, sites, structures or objects. This subfeature covers costs only during the recovery, preservation or mitigation activity.
625	<u>MAINTENANCE OF NON-RECREATIONAL ROADS, RAILROADS AND</u> <u>BRIDGES.</u>
625.1	<u>Non-Recreational Road, Railroad and Bridge Maintenance</u> <u>(X08).</u> Includes all costs required for the maintenance, repair, replacement, betterment and additions to, or retirement of, non-recreational project access roads - including the road across the dam, parking areas, bridges and railroads and walkways. This subfeature also

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 625.1- includes related costs for spare parts, special tools, continued miscellaneous materials and supplies and transportation costs associated with this maintenance function.
- 625.2 Correction of OSHA Deficiencies on Roads, Railroads and Bridge Structures (S05). Includes all costs for correction of OSHA deficiencies identified during inspections of project roads, railroads and bridge structures.
- 625.3 Maintenance of Road, Railroad and Bridge Structures for Energy Conservation (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment on road, railroad and bridge structures for the purpose of energy conservation.
- 626 BREAKWATER, JETTY AND SEAWALL MAINTENANCE.
- 626.1 Breakwater, Jetty and Seawall Maintenance (N04). Includes all costs for the maintenance, repair, replacement, betterment and additions to, or retirement of breakwaters, seawalls, piers, and similar structures for the protection of harbors, navigation and port facilities against the force of waves and encroachment of seas or lakes by direct wave action. Other structures included in this subfeature are jetties, groins and like structures provided in seas, lakes, rivers, canals, exposed tidal waters, and harbors to control water flow and current to maintain stability of the adjacent land. This subfeature also includes related costs for spare parts, special tools, miscellaneous materials and supplies and transportation costs associated with this maintenance function.
- 626.2 Correction of OSHA Deficiencies on Breakwaters and Seawalls (S05). Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of structures listed under subfeature cost code 626.1.
- 626.3 Maintenance of Breakwaters and Seawalls for Energy Conservation Purposes (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment on structures listed under subfeature cost code 626.1 for the purpose of energy conservation.
- 627 MAINTENANCE OF LEVEES AND FLOODWALLS AND OTHER NON-DREDGING FLOOD CONTROL MAINTENANCE.

*

8-78L

Subfeature Number	Subfeature Title and Description
* 627.1	<u>Maintenance of Levees, Floodwalls, Hurricane Barriers and Other Flood Control Structures (F03).</u> Includes all costs for the maintenance, repair, replacement, betterment and additions to, or retirement of, embankments, walls, and other structures to protect areas from inundation. This includes direct costs for removal of trees, brush, accumulated snags, drifts and debris from canals and waterways for flood control and major drainage purposes; and direct costs for the repair, replacement, betterment and additions to, or retirement of, channel improvement structures and revetments, linings, dikes, jetties, bulkheads and buildings (when provided for flood control). This subfeature also includes related costs for materials, supplies, special tools and transportation costs associated with this maintenance function.
627.2	<u>Correction of OSHA Deficiencies on Levees, Floodwalls, Hurricane Barriers and Other Flood Control Structures (S05).</u> Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of structures listed under subfeature cost code 627.1.
627.3	<u>Maintenance of Levees, Floodwalls, Hurricane Barriers and Other Flood Control Structures for Energy Conservation (S08).</u> Includes all costs for developing, maintaining and/or installing facilities and equipment on structures listed under subfeature cost code 627.1 for the purposes of energy conservation.
627.4	<u>Instrumentation on Levees, Floodwalls, Hurricane Barriers, and Other Flood Control Structures (E19).</u> Includes all costs for installation of instruments for safety evaluation purposes consistent with an approved plan. They include instruments which allow the following types of measurements; horizontal and vertical movement, stresses and strains, pore pressure, phreatic surfaces, seismic surfaces, and seepage clarity and quantity.
628	<u>PUMPING PLANT MAINTENANCE.</u>
628.1	<u>Maintenance of Pumping Plants (F04).</u> Includes all costs for the maintenance, repair, replacement, betterment and additions to, or retirement of, pumping plants. This includes such items as buildings, pumps and prime movers including power supplies, controls, piping and all other associated facilities. It also includes related costs for spare parts, replacements, additions, special tools, miscellaneous materials and supplies and transportation costs associated with this maintenance function.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 628.2 Correction of OSHA Deficiencies on Pumping Plants (S05).
Includes all costs for correction of OSHA deficiencies identified during OSHA inspections on structures listed under subfeature cost code 628.1.
- 628.3 Maintenance of Pumping Plants for Energy Conservation (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment on structures listed under subfeature cost code 628.1 for purposes of energy conservation.
- 629 MAINTENANCE OF RECREATIONAL FACILITIES.
- 629.1 Maintenance of Recreation Facilities Including Buildings, Grounds and Utilities (R14). Includes all costs for the maintenance, repair, replacement, betterment and additions to, or retirement of, recreation facilities including campgrounds, picnic areas, public use facilities, boat ramps, parking areas, roads, grounds, utilities associated with recreation use, buildings used for recreation purposes or the collection of fees and other structures used to support the recreation function. This subfeature also includes related costs for spare parts, replacements, additions, special tools, miscellaneous materials and supplies, transportation costs and equipment usage. This subfeature does not include costs for the maintenance of visitors' centers and correction of sanitation deficiencies.
- 629.2 Road and Bridge Maintenance, Recreational (R12). Includes all costs required for the maintenance, repair, replacement, betterment and additions to, or retirement of, roads, parking areas, bridges and walkways associated with recreational development.
- 629.3 Erosion Control in Recreational Area (R13). Includes all costs for control of erosion endangering recreational areas or facilities.
- 629.4 Maintenance of Visitor Centers (R15). Includes all costs for the maintenance, repair, replacement, betterment and addition to, or retirement of, visitor center buildings, grounds, exhibits and utilities. This subfeature also includes related costs for spare parts, replacements, additions, special tools and equipment usage.

*

S-78n

Subfeature
Number

Subfeature Title and Description

- * 629.5 Maintenance and Purchase of Permanent Operating Equipment for Recreation Purposes (R16). Includes all costs in connection with the maintenance, repair, replacement and addition to, or retirement of, permanent operating equipment used to support the recreation function of the project.
- 629.6 Correction of OSHA Deficiencies on Recreational Facilities (S05). Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of recreational facilities and equipment.
- 629.7 Maintenance of Recreational Facilities for Energy Conservation (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment on recreation facilities and equipment listed in subfeature cost codes 629.1, 629.2, 629.4, 629.5 and 629.8 for purposes of energy conservation.
- 629.81 Correction of Sanitary Deficiencies (R18). Includes all costs for the correction of sanitary deficiencies in violation of Federal, state or local standards (formerly identified under the Construction, General, 71G account).
- 629.82 Cost Shared Recreation Development Contracts (R19). Includes all cost shared recreation contract costs excluding those costs charged to projects within project category/class/subclasses 115, 122, 213, 224 and 230.
- 629.83 Cost Shared Recreation Development Negotiations (R19). Includes all costs associated with negotiations and/or monitoring of cost shared recreation development, including both PL 89-72 and Cost Shared Recreation Development contracts. This subfeature does not include actual contract costs.
- 629.9 Maintenance of Using Special Recreation User Fees (R20). This subfeature is to be used to record all maintenance costs utilizing Special Recreation User Fee (SRUF) Funds. Includes all costs associated with the maintenance of recreation areas and facilities as described in subfeatures 629.1, 629.2, 629.3, 629.4 and 629.5.
- 630 MAINTENANCE AND/OR PURCHASE OF NON-RECREATIONAL PERMANENT OPERATING EQUIPMENT.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 630.1 Purchase of Water Control Data System Equipment (E15).
Includes all costs for the purchase of all new equipment (upgraded or expansion) used to acquire, process, display, and distribute data associated with project regulation (water control). This category is to include only those costs related to equipment justified in the Division Water Control System Master Plan approved by DAEN-CWH. Costs for equipment that serves more than one project should be included in the Revolving Fund appropriation.
- 630.2 Maintenance and/or Purchase of Non-Recreational Permanent Operating Equipment (X11). Includes all costs for the maintenance, repair, replacement, betterment and additions to, or retirement of, permanent operating equipment not used to support the recreation function. Also included are related costs for spare parts, replacements, additions, special tools, miscellaneous materials and supplies, transportation costs and equipment usage.
- 630.3 Correction of OSHA Deficiencies on Permanent Operating Equipment (S05). Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of permanent operating equipment.
- 630.4 Maintenance and/or Purchase of Permanent Operating Equipment for Energy Conservation (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment on non-recreational facilities in subfeature cost codes 630.1 and 630.2 for purposes of energy conservation.
- 631 BANK STABILIZATION, MAINTENANCE OF REVETMENTS AND DIKES AND OTHER MEASURES TO PREVENT SLOUGHING OR MEANDERING OF CHANNELS (X10). Includes all costs for the maintenance, repair, replacement, betterment and additions to, or retirement of, revetments, linings, training dikes, bulkheads and other structures, and/or measures to prevent erosion, sloughing or meandering of channels for non-navigation purposes. Also included are related costs for spare parts, replacements, additions, special tools, miscellaneous materials and supplies, transportation costs and equipment usage.
- 632 UTILITIES, SUPPLIES, MAINTENANCE AND/OR CONSTRUCTION OF NON-RECREATIONAL BUILDINGS AND GROUNDS. *

Subfeature
Number

Subfeature Title and Description

- * 632.1 Maintenance of Non-Recreational Buildings, Grounds and Utilities (X09). Includes all costs associated with the maintenance, repair, replacement, betterment and additions to, or retirement of, non-recreational project facilities such as administration buildings and shop buildings, garage buildings and areas, other non-leased or rented project buildings, local streets and sidewalks. Also included are direct costs for the maintenance, repair, replacement, betterment and additions to, or retirement of, houses, apartments and other living quarters rented to Government employees. Finally, direct costs associated with the maintenance, repair, replacement, betterment and additions to, or retirement of, non-recreation project utilities including project water, sewer, gas and electrical systems will be included as will costs related to spare parts, replacements, additions, special tools, miscellaneous materials and supplies, transportation costs and equipment usage.
- 632.2 Correction of OSHA Deficiencies in Buildings and Grounds (S05). Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of project buildings and grounds.
- 632.3 Maintenance of Buildings, Grounds and Utilities for Energy Conservation (S08). Includes all costs for developing, maintaining and/or installing facilities and equipment related to project buildings, grounds and utilities for the purpose of energy conservation.
- 632.4 Maintenance of Hydraulic Models in South Pacific Division (E16). Includes all costs associated with the maintenance, repair, replacement, betterment and additions to, or retirement of, buildings, grounds and utilities that are part of the hydraulic models in South Pacific Division.
- 632.6 Emergency Facilities.
- 632.61 Emergency Operation Center Development/Maintenance. Includes all costs for supplies, equipment or facilities required to support national emergency preparedness planning efforts. *

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 632.62 Emergency Relocation Site Development/Maintenance.
Includes all costs for supplies, equipment or facilities required to support continuity of government preparedness efforts.
- 633 CHANNEL AND CANAL MAINTENANCE.
- 633.1 Dredging of Channels and Canals.
- 633.11 Dredging of Channels and Canals for Navigation (D01).
Includes all costs-except sediment survey costs-associated with dredging for the maintenance and betterment of project navigation channels and canals. This subfeature cost code also includes related costs for spare parts, special tools, miscellaneous materials and supplies, transportation costs and equipment costs.
- 633.12 Dredging of Channels and Canals for Flood Control (F05).
Includes all costs associated with dredging for the maintenance and betterment of channels and canals for flood control purposes. This subfeature cost code also includes related costs for spare parts, special tools, miscellaneous materials and supplies, transportation costs and equipment costs.
- 633.2 Non-Dredging Maintenance.
- 633.21 Non-Dredging Navigation Channel Maintenance, Clearing, Aquatic Plant Removal, Rock and Removal of Other Obstructions (N06; N05). Includes all costs associated with non-dredging navigation channel maintenance, clearing, aquatic plant removal, removal of sunken vessels, rock and other debris removal. This subfeature cost code also includes related costs for spare parts, miscellaneous materials and supplies, transportation costs and equipment costs.
- 633.22 Maintenance of Revetments, Groins or Dikes to Control Current in Order to Maintain Depth of Channel (N07).
Includes all costs associated with maintenance of revetments, groins or dikes to control current in order to maintain depth of channel. This subfeature cost code also includes related costs for spare parts, special
- *

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 633.22- continued	tools, miscellaneous materials and supplies, transportation costs and equipment costs.
633.23	<u>Correction of OSHA Deficiencies on Revetments, Groins or Dikes (S05).</u> Includes all costs for correction of OSHA deficiencies identified during OSHA inspections of revetments, groins and dikes.
633.3	<u>Dredged Material Disposal.</u>
633.31	<u>Dredged Material Disposal Facility Construction (D02).</u> Includes all costs associated with the construction of dredged material disposal facility. This subfeature cost code also includes related costs for miscellaneous materials and supplies, transportation costs and equipment costs.
633.32	<u>Dredged Material Disposal Facility Maintenance (D02).</u> Includes all costs associated with the maintenance of dredged material disposal facility. This subfeature cost code also includes related costs for spare parts, replacements, special tools, miscellaneous materials and supplies, transportation costs and equipment usage.
634	<u>ENGINEERING AND DESIGN (E&D).</u> Includes costs involved in preparing reports and data collection required to prepare plans and specifications and the costs of the actual preparation of plans and specifications associated with maintenance activities. Preparation includes the development of design memoranda prior to the development of plans and specifications.
634.1	<u>Project Structures.</u> Includes the E&D associated with a project structure.
634.11	<u>Non-Dam Safety.</u> Includes the E&D associated with feature cost code 621 activities.
634.12	<u>Dam Safety (E18).</u> Includes the E&D associated with modifications under feature cost code 621 that were identified in a dam safety study.
634.13	<u>Locks.</u> Includes the E&D associated with feature cost code 622 activities.

*

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 634.14 Power Plants. Includes the E&D associated with feature cost code 623 activities.
- 634.15 Breakwater, Jetties and Seawalls. Includes the E&D associated with feature cost code 626 activities.
- 634.16 Levees and Floodwalls. Includes the E&D associated with feature cost code 627 activities.
- 634.17 Pumping Plants. Includes the E&D associated with feature cost code 628 activities.
- 634.18 Bank Stabilization, Revetments, Dikes, Etc.. Includes the E&D associated with feature cost code 631 activities.
- 634.2 Channel and Canal Excavation. Includes the E&D associated with channel and canal excavation.
- 634.21 Dredging. Includes the E&D associated with subfeature cost code 633.1 activities.
- 634.22 Non-dredging Maintenance. Includes the E&D associated with subfeature cost code 633.2 activities.
- 634.23 Dredged Material Disposal. Includes the E&D associated with subfeature cost code 633.3 activities.
- 634.3 Facilities. Includes the E&D associated with facilities.
- 634.31 Natural Resources. Includes the E&D associated with feature cost code 624 activities.
- 634.32 Recreation. Includes the E&D associated with feature cost code 629 activities.
- 634.33 Roads, Railroads and Bridges. Includes the E&D associated with feature cost code 625 activities.
- 634.34 Permanent Operating Equipment. Includes the E&D associated with feature cost code 630 activities.
- 634.35 Buildings, Grounds and Utilities. Includes the E&D associated with feature cost code 632 activities.

8-78t

<u>Subfeature Number</u>	<u>Subfeature Title and Description</u>
* 634.4	<u>Damages Assessed E&D Contractors (Cr).</u> This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the contracting officer against engineering and design contractors for failure to complete work within the time specified by the contract. The balance will be treated as an offset against costs in subfeatures 634.1, 634.2 and 634.3 as applicable.
634.5	<u>E&D - Real Estate Activities - Local Cooperation - Compliance by Local Interests.</u> This subfeature includes costs incurred on real estate activities on projects where no Government land acquisition is involved. Charges will include Government costs, in connection with lands required to be furnished by local interests, such as records search, appraisals, and field inspections to assure compliance by local interests in the provision of local requirements for a project.
635	<u>SUPERVISION AND ADMINISTRATION (S&A).</u>
635.1	<u>Project/Resident/Area Office.</u> Includes costs for field personnel, both technical and administrative, and necessary supplies and materials located directly at the project/resident/area site in support of the maintenance activity. These costs include shop drawing review, supervision and inspection of maintenance contracts and supervision and administration of hired labor maintenance work. This subfeature does not include costs associated with supervision and engineering of power plant maintenance.
635.2	<u>District Office.</u> Includes all costs originating in the district office of a technical and administrative nature which are properly charged against maintenance activities of a project. These costs include shop drawing reviews, supervision and inspection of maintenance contracts and supervision and administration of hired labor maintenance work. This subfeature does not include costs associated with supervision and engineering of power plant maintenance.
635.3	<u>Damages Assessed Other Than E&D Contractors (Cr).</u> This subfeature will be credited for the full amount of damages (actual or liquidated) finally assessed by the *

ER 37-2-10
Change 56
15 Aug 85

Subfeature
Number

Subfeature Title and Description

- * 635.3 contracting officer against other than E&D contractors for failure to complete the contracted work within the time specified by the contract and for liquidated damages assessed any contractors under the Work Hours Act of 1962. The net balance will be treated as a reduction in the supervision and administration costs and not as a reduction in the contractor's earnings applicable to other specific features.

*

NOTE: Separate subfeatures will be maintained as applicable for features 634.- and 635.- above, to segregate costs incurred in connection with capital replacements of units of property on Multiple Purpose Projects Including Power in order to facilitate transfer of replacement costs to Plant In Service accounts.

636 Clearing, Credit, Miscellaneous, and Memorandum Accounts.

636.1 Prepayments to Other Government Agencies (GL 116.1).
This subfeature reflects the status of advances made to another agency from project funds. A separate account will be maintained for each agency. It will be debited with the amount of advances made. On the basis of cost or

8-78v (next page is 8-79)

<u>Account Number</u>	<u>Account Title and Description</u>
636.1	receiving reports, the account will be credited and the appropriate cost or expense account debited with the value of services or property received. It will also be credited with any unused balance of an advance returned by the agency.
636.2	(Reserved.)
636.3	<u>Other Advances (GL 116.3).</u> This account reflects the status of advances from project funds, other than those accounted for under Accounts 636.1 and 636.2, including advances to the Revolving Fund of the same or another district. A separate account will be maintained for each office or agency to which an advance is made. It will be debited with the amount of advances made. On the basis of cost or receiving reports, or billing from the Revolving Fund of the same district, the account will be credited and the appropriate expense account debited with the value of services or property received. It will also be credited with the balance of advance returned.
636.4	<u>Loans to Profit and Nonprofit Organizations (GL 116.4).</u> This account reflects the status of loans made under Section 215, PL 91-646. A separate account will be maintained for each loan. The account will be charged for loans made and credited for repayments. Any interest should be treated as Miscellaneous Receipts.
637.	(RESERVED.)
638.1	<u>Work In Progress for Others - Refunds, (GL 117.1).</u> This account reflects the unbilled amount of work performed for others with project funds, subject to repayment to be accounted for as appropriation refunds. A separate account will be maintained for each agency, firm, or individual. These accounts will be credited with the amounts of pertinent bills rendered to the customers.
638.2	<u>Work In Progress for Others - Appropriation Reimbursement Activity (GL 117.2).</u> This account reflects the unbilled amount of work performed for others with funds made available by appropriation reimbursement appropriation, subject to repayment to be accounted for as ap-

ER 37-2-10
Change 56
15 Aug 85

* Feature Number	Title and Description
638.2	propriation reimbursements. A separate account will be maintained for each agency, firm, or individual. These accounts will be credited with the amounts of pertinent bills rendered to the customers.
* 638.3	<u>Work in Progress for Other CE Activities - Reimbursable (GL 117.3).</u> This subfeature reflects the unbilled amount of work performed for other Corps of Engineers activities (Districts, Divisions, etc.) with available funds, subject to repayment to be accounted for as appropriate reimbursements, under the provisions of properly executed and accepted Intra-Army Orders for Reimbursable Services (DA Form 2544) from other COE activities. A separate account will be maintained for each order received. The accounts will be credited with the amounts of all bills rendered to the ordering activity. *
* 639.	<u>UNAPPLIED ADVANCES FOR ACCRUED COSTS (GL 179).</u> This feature will be debited with the estimated end of the month cost distributions representing payments due to other appropriations or projects and credited with the estimated cost distributions representing amounts due from other appropriations or projects. Posting media will be Bureau Voucher, ENG Form 3006, representing accrued expenditure or receivable, as appropriate. A separate account will be maintained for each appropriation or project to which accrued cost distributions are charged or credited. Prior to closing cost accounts for the month, these accounts will be debited with the actual cost distributions due from, and credited with actual cost distributions due to each applicable project. Posting media will be Journal Entry, ENG Form 3007. The balance of this account will either be closed out by use of ENG Form 3006 as of the beginning of the following month or it may remain open and the balance taken into consideration in arriving at the estimated cost distributions to be recorded at the end of the following monthly accounting period.
* 640.	<u>UNDISTRIBUTED JOB-SITE LABOR (GL 179).</u> This feature includes the estimated labor cost accrued to the end of the month on the project, which it is impracticable to distribute to the specific work accounts prior to closing cost accounts for a monthly accounting period. The charges to this account will be reversed at the beginning of the following month.

* <u>Feature Number</u>	<u>Title and Description</u>
* 641.	<u>STORES (GL 179).</u> Included in this feature are the costs of unused project-owned common maintenance materials and supplies. The account will be charged for items received and credited for items issued.
* 642.	<u>UNAPPLIED PAYMENTS TO CONTRACTORS (GL 179).</u> This feature includes payments to contractors in advance of the performance of work or service and will

* Feature
* Number

Feature Title and Description

642. be subdivided by contractors, and further subdivided by methods of application of payment, where appropriate. In the case of a construction-type contract, this account will be debited or credited in the amounts of the increases or decreases in such advances as shown on the payment estimates. In the case of a payment to the owner of a utility line constructed to furnish service to a project, the portion which will not be recouped, if any, will be amortized to Subfeature 650.2 Construction Facilities - Operation and Maintenance Expense; while the subfeature representing the amount subject to recoupment will be credited in the amounts of deductions in bills for services rendered, the full amounts of such bills being charged to accounts chargeable with the utility service. See also description of Feature 42 in para 8-4d.
- * 649. CLAIMS RECEIVABLE (GL 114). This feature reflects the balance of claims or receivables which may not be collectible because of pending or subsequent litigation or adjudication or other reasons. This feature will be debited with the amounts of such claims. This feature will be credited with amounts of claims canceled or reclassified from claims receivable to accounts receivable upon collection.
- * 650. CONSTRUCTION FACILITIES (GL - see para 8-5a(3)). Subfeatures will be established and maintained under this caption similar to requirements for a construction project (para 8-4d) when warranted in connection with a major reconstruction or additional job under rehabilitation.
- * 652. SURVEYS AND LAYOUTS (GL 179). Includes costs of detailed construction layout and as-built drawings not directly applicable to specific features; and surveys and monumentation for record purposes. This feature will be distributed on an equitable basis to permanent work not more frequently than at the close of each fiscal year, except in cases where it is necessary to determine the total costs applicable to a feature or subfeature.
653. REAL ESTATE ADMINISTRATIVE ACTIVITIES (GL 179). This feature includes all cost incurred for operation and maintenance work, other than applied costs. *

ER 37-2-10
Change 54
28 Feb 85

* Feature
* Number

Feature Title and Description

665. PLANT, PROPERTY AND EQUIPMENT IN PROCESS OF RETIREMENT (GL 108.1). For description of this feature refer to description of applicable General Ledger control account in para 2-22. Subfeatures to identify related permanent features are required.
- 666.- CLEARING ACCOUNTS (GL 179).
- * 666.1 Warehouse Operations. This subfeature includes the cost of operating and maintaining the project warehouse in connection with the receipt, storage, and issue of materials and supplies. It also includes charges for equipment used in moving and handling materials when assigned to the service of the warehouse. The pay and expenses of employees engaged in inspecting major classes of material, such as cement, are charged direct to the applicable project operation and maintenance cost account. Cash discounts on purchases of stock and adjustments of a minor nature which do not distort the unit cost of stock items are charged to this subfeature. The costs accumulated in this subfeature are absorbed into the cost of the work performed and credited to this subfeature by applying an adequate percentage to the issue price of stocks requisitioned from the warehouse.
- 666.2 Shop Operations. When these activities are financed with funds available to a project under the appropriation Operation and Maintenance, General, accounts will be established and the procedures followed in the project accounts generally as provided for the Revolving Fund. (See para 7-16.)
- * 666.8 Real Estate - Inleasing Program.
- 666.82 Inleasing - Non-Recruiting Facilities. Includes all costs, including contractual services, directly involved in acquisition of leaseholds by negotiations, condemnation or assignment from GSA (except for recruiting facilities). Includes ownership data, preparation of maps and descriptions, negotiations and related work for new leases; supplemental agreements, renewals; restorations under lease provisions; condemnation petitions and declarations of taking; and space requests to GSA. Also, includes preparation of plans, estimates, etc., for initial alterations to leased facilities.

*

* Subfeature
Number

Subfeature Title and Description

- 666.83 Relocation Assistance (PL 91-646). Includes all costs incident to providing relocation assistance and advisory services to displaced owners and/or tenants, including processing of applications for relocation payments and processing appeals.
- 666.84 Disposals. Includes all costs, including contractual services, involved in planning and accomplishing the disposition of real property and components thereof by sale, transfer, etc. Includes environmental, historical and archaeological review, survey, and recommendation; preparation of maps, screening, advertising or waiver thereof, preparation and distribution of bid documents, negotiations, preparation and execution of disposal documents; sales contract administration; responses to requests for disposal of real property or components thereof.
- 666.85 Relocation Assistance Payments (PL 91-646). Payments to owners and tenants for relocation expenses and other losses and damages incurred as a direct result of moving occasioned by acquisition of land; other payments or expenses incurred under Sections 205, 206, and 215, PL 91-646. Dollar costs are to be shown as of the time payments accrue.
- 666.86 Rents, Initial Alterations and Restorations. Payments by the Corps to lessors or their legally constituted representatives for use of real property by DA under lease, including Army National Guard and GSA SLUC costs and rents and SLUC costs for DOD recruiting space. Payments only of predetermined amounts for suspending the rights of third parties, pursuant to Act of Congress approved 9 July 1942, 56 Stat. 500 (rights of ranchers to graze cattle on certain areas of public domain); costs of construction of initial alterations of leased facilities effected by the Government or payments for initial alterations of leased facilities effected by lessors or their legally constituted representatives to meet the needs of the using service; costs of restoration effected by the Government, payments for restoration of leased facilities effected by lessors or their legally constituted representatives, or payments in lieu of restoration. Dollar costs are to be shown as of the time payment accrue.

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature * Number	Subfeature Title and Description
666.9	<u>Other Clearing Accounts (Specify).</u>
* 671.1	<u>Undistributed Interest (O&M) During Construction (GL 107).</u> This subfeature will be charged with the amount of interest expense on an operation and maintenance project which is applicable to additions to multiple purpose projects and which will be capitalized upon completion of the particular additions (rehabilitation) job. Contra credit will be to Subfeature 671.3. When the rehabilitation job is completed and transferred to Plant In Service, on the basis of a Work Order/Completion Report, ENG Form 3013, the applicable interest will be charged to Plant In Service and this subfeature credited.
* 671.2	<u>Interest Expense (O&M - Gross) (GL 171).</u> This subfeature will be charged with the annual interest chargeable to operations of multiple purpose projects. Contra credit will be to Feature 692. Subdivision of this subfeature will be maintained to reflect the allocation of interest expense to the prime functions (purposes) of the project.
* 671.3	<u>Interest Expense (O&M) Charged to Construction (Cr) (GL 171).</u> This subfeature will be credited at the end of the fiscal year with the amount of interest expense, charged to cost subfeature 671.2, which is applicable to additions to multiple purpose projects which will be capitalized upon completion of the particular rehabilitation job. Subdivision of this subfeature will be maintained to reflect the allocation of interest expense to the prime functions (purposes) of the project. Contra debit will be to Subfeature 671.1.
* 674.	<u>DEPRECIATION AND AMORTIZATION EXPENSE (GL 171).</u> This feature will be charged with annual depreciation and amortization for multiple purpose projects. Subdivision of this account will be maintained to reflect the allocation of depreciation and amortization expense to the prime functions (purposes) of the project. Contra credit will be to Project Feature 61.

* * Feature Number	Feature Title and Description
* 675.	<u>PAYMENTS TO STATES FROM GRANT (OUTLEASING) REVENUES.</u> This feature includes amounts for payment to states from receipts credited to 965090 Receipts from Leases of Lands Acquired for Flood Control, Navigation and Allied Purposes (see para 6-17). Contra credit will be Subfeature 691.3 (GL 133.11). Transfers of Cost or Property (Net) - Payments to States.
* 678.	<u>WORK IN PROGRESS TRANSFERRED TO PLANT IN SERVICE (GL 101).</u> (Reserved for COEMIS, See COEMIS User's Manual for description and application.) *
680.-	<u>INCOME AND CREDITS TO OPERATIONS.</u>
* 680.1-	<u>Operating Income (Cr) (GL 161).</u> The subfeature under this caption will be credited with operating income pertaining to the project, and subdivisions of the accounts will be maintained as necessary to record the various types of operating income.
680.11	<u>Sale of Power for Resale (Cr).</u> This subfeature will be credited with revenue earned from energy supplied to electric utilities or public authorities for distribution.
680.12	<u>Interdepartmental Power Sales (Cr).</u> This subfeature will be credited with revenue earned from the sale of electric energy furnished for use of other government agencies (not for distribution or resale by such agencies), and for use by other projects and activities of the Corps of Engineers. Also, include credits for electric energy consumed in project activities such as operation of navigation facilities, project construction activities, etc.
* 680.13	<u>Other Power Sales (Cr) (Specify).</u> This subfeature will be credited with all revenue earned from the sale of electric energy other than the revenue required to be credited to subfeatures 680.11 and 680.12. Include sales to employees occupying government-owned dwellings, when income from such sales is required to be deposited to U. S. Treasury as miscellaneous receipts.

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- 680.15 Sale of Water and Water Power (Cr). This subfeature will be credited with revenue earned from the sale of water for irrigation, domestic, industrial, or other uses; or for the development by others of water power; or for headwater benefits. This account will be subdivided by project purposes to which the revenues accrue.
- 680.19 Other Operating Income(Cr). This subfeature will be credited with operating income not otherwise provided for. It will be further subdivided as warranted.
- 680.2- Credits to Operations (Cr) (GL 162). The subfeatures under this caption will be credited with earnings other than income derived from operation of the project in the performance of its major purposes. The following accounts will be maintained to record the various types of credits to operations.
- 680.21 Collections for Subsistence, Quarters, Services, etc. (Cr.) Subdivision of this subfeature will be maintained to record earnings by types of services, etc., such as for subsistence, quarters and utilities furnished employees occupying government-owned dwellings. Include earnings for electric energy except when such earnings are required to be deposited to U. S. Treasury as miscellaneous receipts.
- 680.22 Income from Grants and Sundry Disposals. This subfeature will be credited with earnings in connection with temporary grants, including leases for temporary use of buildings and facilities for concessions; leases of land; royalties; sale of crops and timber separate from land; sale of salvage and scrap from excess real property (e.g., demolished buildings, etc); and with earnings not elsewhere provided for.
- 680.23 Income from Recreational Fees (Cr). This subfeature will be credited for income applicable to entrance or admission and user fees at recreational areas in accordance with PL 88-578.

*

* Subfeature
* Number

Subfeature Title and Description

- * 680.24 Income from Refuse Permit Fees. This subfeature will be credited and Account 694 debited for income applicable to fees collected for the Refuse Act Permit Program.
- * 680.25 Income from Lakeshore Use Permit Fees. This subfeature will be credited and Account 694 debited for income applicable to the administrative charges for Lakeshore Use Permits as described in ER 1130-2-406.
- * 680.3- Nonoperating Income (Cr) (GL 163). The subfeatures under this caption will be credited with extraordinary income of the project. The following accounts will be maintained to show credits for the various types.
- * 680.31 Collection for Damages to Government Property (Cr). This subfeature will be credited for income accrued, including payroll deductions, applicable to damages to project property, including damages such as are recoverable from vessel operations.

Disposal Receipts (Cr)

- * The following subfeatures (680.32, .33, and .34) are applicable only to other than multiple purpose projects and will be credited with income in connection with disposal of fee land with standing timber, and crops, buildings and improvements, etc. *
- * 680.32 Disposal Receipts - Fee Land (Cr). This subfeature will be credited for income applicable to sale of land, with or without standing timber and crops.
- * 680.33 Disposal Receipts - Buildings and Improvements (Cr). This subfeature will be credited for income applicable to the sale of buildings and improvements in place (including equipment) to be removed by the purchaser.
- * 680.34 Other Disposal Receipts (Cr). This subfeature will be credited with income from disposals not otherwise provided for.
- * 680.35 Other Nonoperating Income (Cr). This subfeature will be credited with all other nonoperating income. Further subdivision will be maintained as warranted.

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
* Number

Subfeature Title and Description

- * 680.4- Retirement Receipts - Multiple Purpose Projects (GL
 108.3. The subfeatures under this caption will be
 credited with the receipts from retirement of multiple
 purpose project property. The accounts are applicable to
 multiple purpose projects only and separate accounts will
 be maintained for each project.
- * 680.41 Fee Land (Cr). This subfeature will be credited with
 income from the sale of land with or without standing
 timber or crops.
- * 680.42 Buildings and Improvements (Cr). This subfeature will be
 credited with income from the sale of buildings and
 improvements in place (including equipment) to be removed
 by the purchaser.
- 680.43 Other Disposal Receipts (Cr). This subfeature will be
* credited with income from disposals not included in
 Subfeatures 680.41 and 680.42. It will be further
 subdivided as warranted.
- 685.- JOINT EXPENSES - MULTIPLE PURPOSE PROJECTS. The sub-
 features maintained hereunder, (685.1 and 685.2) and
 offsetting Feature 686 are to provide information and
 statistical data pertinent to multiple purpose projects
 only. Feature 686 is an offsetting account for Sub-
 features 685.1 and 685.2; therefore, these accounts do
 not support a General Ledger account.
- * 685.1 Joint Facilities Expenses Allocated to Electric Genera-
 tion (Dr). This subfeature is maintained to provide
 information for statistical and reporting purposes. The
 amount of the applicable share of operation and main-
 tenance costs that are common to all functions, such as
 supervision and administration, camp expenses, etc.,
 which are allocable to power production will be debited
 to this account. Depreciation and interest costs are not
* included in this account. The contra posting will be to
 Feature 686.

* Subfeature * Number	Subfeature Title and Description
* 685.2	<u>Joint Facilities Expenses Allocated to Other Functions (Dr).</u> This subfeature is maintained to provide information for statistical purposes. The amount of the applicable share of operation and maintenance costs that are common to all functions, such as supervision and administration, camp expenses, etc., which are allocable to nonpower functions will be debited to this account. The contra posting will be to Feature 686, with no adjustments reflected in the budgeted account items. Subdivision of this account will be maintained to reflect the allocation of joint costs to the other prime functions purposes) of the project.
* 686.	<u>JOINT FACILITIES EXPENSES ALLOCATION (CR).</u> This is an offset feature and will be credited with the amount of joint costs debited to Subfeatures 685.1 and 685.2. Subdivision of this account will be maintained to reflect the source by facility or service such as dam, roads, townsite, supervision and administration, etc.
* 687.	<u>ABANDONED AND RETIRED PROPERTY (OTHER THAN MULTIPLE PURPOSE) (GL 132).</u> This feature includes the book cost of property retired from other than multiple purpose projects.
688.-	<u>TRANSFERS TO PLANT IN SERVICE (PIS) FROM WORK IN PROGRESS (WIP) (GL 107).</u> This feature includes the cost of completed work orders for transpiring the value of the features and/or projects from Work In Progress to Plant In Service.
* 689.	<u>NONFUNDED CONTRACTOR'S EARNINGS (GL 142).</u> This feature is credited with the amount of estimated earnings, in excess of a continuing contract monetary limitations, charged to the feature accounts for work performed by the contractor at his own risk.
* 690.-	<u>EXPENDITURES - PRIOR YEARS (GL 131.241).</u> This feature includes the net amount of expenditures (accrued expenditures less reimbursements) for prior fiscal years.
691.-	<u>TRANSFER OF COST OF PROPERTY (NET) (GL 133.11).</u> This feature includes the costs transferred to or from civil projects where such transfers are made on a non-funded basis.

ER 37-2-10
Change 54
28 Feb 85

* Subfeature Number	<u>Subfeature Title and Description</u>
691.1	(Reserved.)
691.2	<u>Other Transfers.</u> This subfeature is used to record all transfers of costs to or from civil projects on a non-funded basis for which a specific subfeature is not provided.
691.3	<u>Payments to States.</u> This subfeature is used to record the portion of the proceeds from the outlease of lands acquired for flood control, navigation and allied purposes returned to states at the end of each fiscal year.
691.4	(Reserved.)
692.-	<u>INTEREST ON GOVERNMENT INVESTMENT (CR) (GL 134).</u> This feature includes the total interest accrued on the Government Investment in multiple purpose projects.
693.-	<u>INCOMPLETE REHABILITATION WORK (CR) (GL 107 or 171).</u> This feature includes all applied costs for operations, maintenance of project plant, depreciation and amortization expense, interest expense on remaining investment in projects, interest expense on net investment charged to construction, payments made to states from grant revenues, and for retirement work on other than multiple purpose projects. (Reserved for COEMIS) *
* 694.	<u>FUNDS RETURNED TO U. S. TREASURY BY CORPS OF ENGINEERS (DR) (GL 113.1 and 135.1).</u> This feature will be debited with the amount of any income or earnings collected by the Corps and intended to be covered into the General Fund or a Special receipt account of the U. S. Treasury, and not to the credit of an appropriation.
* 695.	<u>FUNDS RETURNED TO U. S. TREASURY BY OTHER GOVERNMENT AGENCIES (DR) (GL 113.1 and 135.2).</u> This feature includes the total amount of funds, relating to Corps of Engineers projects, collected for deposit in the U. S. Treasury by other Government agencies. Such deposits may be for the account of the Corps based on agreement between the Corps and the agencies concerned; for allocated revenue from multiple purpose projects; or for income to the Government derived from the use of Corps

* * Feature Number	Feature Title and Description
695. - continued:	projects by private interests based on agreements between other Government agencies and the private interest involved (e.g., Federal Power Commission Licenses). Necessary arrangements with the agencies concerned for obtaining the financial data, with respect to the sale of power and similar revenues of multiple purpose projects, will be initiated by the Chief of Engineers. Data covering income from all other sources will be obtained by the District Commander from the nearest Regional Office of the agency involved. The cost account will be maintained in a manner to permit identification of the agencies involved.
* 697.2	<u>Net Gain or Loss on Retirement of Land (Multiple Purpose Projects) (GL 137.2)</u> . This subfeature includes the net amounts relating to retirement of fee owned land allocated to reimbursable project purposes.
697.3	<u>Investment Recovery on Non-Multiple Purpose Projects (GL 137.3)</u> . This subfeature includes the net amounts relating to expense and/or income resulting from a partial repayment of the Federal investment in non-multiple purpose projects.
698.-	<u>ADVANCES RECEIVED FOR OPERATION AND MAINTENANCE (CR) (GL 143)</u> . This feature includes the amount received in advance for operations and maintenance, including contributed or advanced funds and securities deposited in escrow.

c. Cost Subsidiary Accounts. Cost accounts will be established for each Operation and Maintenance project within the framework of the preceding uniform cost account classification on the basis of programming documents and approved Work Orders, ENG Form 3013. Accounts in the operation group will be cutoff at the end of each fiscal year and new accounts will be setup for the following fiscal year. Accounts in the maintenance group will be cut off at the end of the fiscal year during which the job was completed, except for additions and retirements to

*

ER 37-2-10
Change 54
28 Feb 85

multiple purpose projects which will be cut off at the end of the month in which completed and transferred to Plant In Service, Provision for Depreciation and Amortization, or Net Gain or Loss on Retirement of Land (multiple purpose projects) (GL 136.6 and GL 137.2), as applicable, as of the end of the month. The transfers to be effected in the General Ledger control accounts at the end of each fiscal year and upon completion of additions and retirements to multiple purpose projects are covered in subpara 8-5d(2). Each cost subsidiary account will indicate the applicable General Ledger control account number.

8-5b

8-88

d. General Ledger Controls.

(1) Operation Accounts.

(a) General. During the current fiscal year, operation expense accounts are controlled by General Ledger Account 171 and related income accounts are controlled by General Ledger Accounts 161, 162, and 163. Except as indicated below, the expenses and incomes will be transferred at the end of the fiscal year to Account 136.11 Nonreimbursable Costs - Operation and Maintenance - Completed and In Progress Projects.

(b) Multiple Purpose Projects. For multiple purpose projects the total expense and income from operations will be transferred at the end of the fiscal year to Account 137.1 Results from Operations for revenue producing operations, and to Account 136.11 for other functions.

(2) Maintenance Accounts. These accounts, other than additions and retirements under multiple-purpose projects, are controlled by General Ledger Account 171 during the current fiscal year. Total costs for jobs recorded in the subsidiary accounts during the fiscal year will be transferred to Subsidiary Account 696.1, General Ledger Account 136.11, or Subsidiary Account 697.1, General Ledger Account 137.1, as appropriate, at the end of the fiscal year. Total costs for jobs that have not been completed during the fiscal year will be brought forward in the subsidiary accounts to the applicable 620-633 accounts and notations will be made on the ledger sheets to the effect that the balances brought forward from the prior fiscal year are controlled by General Ledger Accounts 136.11 or 137.1. In such instances, care will be exercised to insure that, in the fiscal year in which additional job costs are incurred, only the current fiscal year costs are closed to General Ledger Accounts 136.11 or 137.1 and that in the final year, total of all costs which have been carried forward from year to year are closed to Subsidiary Accounts 696.1 or are controlled by General Ledger Accounts 107 and 108.- series, 697.1. Additions and retirements under multiple purpose projects respectively, until the individual jobs are completed. When work orders covering additions are completed, the costs will be transferred, in the General Ledger, to Plant In Service Account 101.- as of the close of the month in which physical completion occurs. When work orders covering retirements other than land are completed, the applicable costs and retirement receipts will be transferred from General Ledger Accounts 108.1, 108.2, and 108.3 to Account 102, as of the close of the month in which physical completion occurs. For retirement work orders pertaining to land, the amounts will be transferred, in the General Ledger, to Account

ER 37-2-10
Change 50
2 Dec 83

136.6 Nonreimbursable Costs - Net Gain or Loss on Retirement of Land (allocated amounts relating to nonreimbursable functions), and Account 137.2 Status of Cost Recovery - Reimbursable Costs, Net Gain or Loss on Retirement of Land (multiple purpose projects) (amounts relating to revenue producing or other reimbursable purposes). For work orders pertaining to boundary line surveys and marking of land (multiple purpose projects), the applicable costs are controlled by General Ledger Account 107, and will be transferred to Plant In Service Account 101.- at the close of each fiscal year.

- (3) Clearing, Credit, Miscellaneous and Memorandum Accounts. The accounts maintained under this subdivision are controlled by several General Ledger accounts. See subpara 8-5a(3) for specific General Ledger control accounts applicable. The total amounts recorded in Features 694 and 695 each fiscal year remain in General Ledger Accounts 135.1 and 135.2. Balances remaining in distributive accounts as of the end of the fiscal year remain in General Ledger accounts in which originally recorded until distributed.
- * (4) Other Information. For additional information relative to General Ledger control accounts, see para 2-22.

- * 8-6. General Expenses. The accounts prescribed in this paragraph cover functions in Division Engineer Offices, activities of Corps of Engineer Review Boards and Special Investigations as described in ER 11-2-290.

a. General Expenses Chart of Accounts (Other than Office, Chief of Engineers).

<u>Account Number</u>	<u>Account Title</u>
736.2	(Reserved)
750.	COMMERCIAL STATISTICS (GL 173.3)
755.	(Reserved)
760.	EXECUTIVE DIRECTION AND MANAGEMENT DIVISION-OFFICES (GL 173.1)
770.-	RIVER AND HARBOR BOARD (GL 173.2)

*

* Subfeature
* Number

Subfeature Title

	<u>Personal Services and Travel</u>
770.01	Executive Office
770.02	Engineering Division
770.03	Professional Development Division
770.04	Port Facilities Division
770.05	Administrative Office
770.06	(Reserved)
770.07	Evaluation Division
770.09	Miscellaneous Expenses
770.23	PCS Expenses
770.24	Suggestion and Incentive Awards

780.- COASTAL ENGINEERING RESEARCH BOARD (GL 173.5)

	<u>Personal Services and Travel</u>
780.01	Executive and Administrative
780.02	Engineering Division
780.03	Project Development Division
780.04	Research Division
780.05	Civilian Board Members
780.09	Miscellaneous Expense
780.23	PCS Expenses
780.24	Suggestion and Incentive Awards

785.- HUMPHREYS ENGINEER CENTER SUPPORT ACTIVITY (GL 173.6)

790.- EXPENDITURES - PRIOR YEARS (GL 131.241)

* b. Definitions of Accounts. Definitions of the foregoing features, subfeatures and general instructions pertaining thereto follow:

Feature
Number

Feature Title and Description

730.	<u>WATER RESOURCE SUPPORT CENTER (GL 173.7).</u> This feature includes all nonreimbursable costs incurred by the Water Resource Support Center in performance of assigned functions.
740.	<u>ENGINEER AUTOMATION SUPPORT ACTIVITY (GL 173.8).</u> This feature includes all nonreimbursable costs incurred by the Engineer Automation Support Activity in performance of assigned functions.

*

ER 37-2-10
Change 54
28 Feb 85

* Feature Number	Feature Title and Description
750.	Reserved
760.	<u>EXECUTIVE DIRECTION AND MANAGEMENT (GL 173.1).</u> This feature includes net amounts chargeable to General Expenses, Corps of Engineers, Civil, for executive direction and management expenses incurred by HQUSACE and Division Offices. Costs which are reimbursable from projects, other districts or other agencies will not be charged to this feature.
770.-	<u>RIVER AND HARBOR BOARD (GL 173.2).</u> This feature will be charged with all expenses incurred by the River and Harbor Board in carrying out its authorized functions. Subdivision of this account will be in accordance with the prescribed breakdown. Cost accounting requirements are identical to those prescribed for Division Office expenses payable from the General Expenses appropriation.
770.01	<u>Executive Office.</u> This subfeature includes the cost of personal services and temporary duty travel for the executive office.
770.02	<u>Engineering Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the engineering division.
770.03	<u>Professional Development Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the professional development division.
770.04	<u>Port Facilities Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the port facilities division.
770.05	<u>Administrative Office.</u> This subfeature includes the cost of personal services and temporary duty travel for the administrative office.
770.06	(Reserved)
770.07	<u>Evaluation Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the evaluation division.

*

<u>* Subfeature Number</u>	<u>Subfeature Title and Description</u>
770.09	<u>Miscellaneous Expenses.</u> This subfeature includes all costs for which a specific subfeature has not been established.
770.23	<u>PCS Expenses.</u> This subfeature includes contractual charges for the transportation of things and for the care of such things while in the process of being transported. Also, includes reimbursement to civilian personnel for the authorized movement of household effects or house trailers and movement of personnel.
770.24	<u>Suggestion and Incentive Awards.</u> This subfeature includes cost provided to personnel for suggestion and incentive awards.
780.-	<u>COASTAL ENGINEERING RESEARCH BOARD (GL 173.5).</u> This feature will be charged with expenses incurred by the Coastal Engineering Research Board. Accounts will be maintained in accordance with the prescribed breakdown. Cost accounting requirements are identical to those prescribed for Division Office expenses.
780.01	<u>Executive and Administrative.</u> This subfeature includes the cost of personal services and temporary duty travel for executive and administrative personnel.
780.02	<u>Engineering Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the engineering division.
780.03	<u>Project Development Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the project development division.
780.04	<u>Research Division.</u> This subfeature includes the cost of personal services and temporary duty travel for the research division.
780.05	<u>Civilian Board Members.</u> This subfeature includes the salaries and expenses of board members while performing board functions.

*

ER 37-2-10
Change 54
28 Feb 85

* Subfeature
Number

Subfeature Title and Description

- | | | |
|---------|--|---|
| 780.09 | <u>Miscellaneous Expense.</u> This subfeature includes all costs for which a specific subfeature has not been established. | |
| 780.23 | <u>PCS Expenses.</u> This subfeature includes contractual charges for the transportation of things and for the care of such things while in the process of being transported. Also, includes reimbursement to civilian personnel for the authorized movement of household effects or house trailers and movement of personnel. | |
| 780.24 | <u>Suggestion and Incentive Awards.</u> This subfeature includes the cost of suggestion and incentive awards. | * |
| * 785.- | <u>HUMPHREYS ENGINEER CENTER SUPPORT ACTIVITY (GL 173-6).</u> This feature will be charged with expenses incurred by the Humphreys Engineer Center Support Activity's office only. | |
| * 790.- | <u>EXPENDITURES - PRIOR YEARS (GL 131.241).</u> This feature includes the net amount of expenditures (accrued expenditures less reimbursements) for prior fiscal years. | * |

- c. General Ledger Controls. General Expenses subsidiary accounts are controlled during the fiscal year by General Ledger accounts in the 173.- series. Costs will be transferred at the end of each fiscal year to Subfeature 136.2 Nonreimbursable Costs - General Expenses activities.

8-7. Special Accounting Treatment for Multiple Purpose Projects.

a. General.

(1) Certain special requirements exist regarding reimbursable projects, particularly with regard to projects on which electric power is produced by the Government for sale to the public. Among these requirements are the necessity of recovery of the Government investment within a reasonable period of time, the necessity of computing interest on the Government investment in constructed facil-

ities, and interest on the Government funds applied to operation and maintenance of the project, and the necessity of computing depreciation and amortization of the facilities for the reasonable service life of the facilities.

- * (2) Except as provided under (3) below, simple interest will be computed on the unamortized government investment in project facilities at the rate which was used in the justification data submitted to the Congress in support of the request for an appropriation that resulted in the actual initial appropriation of construction funds for a project. In some circumstances, exceptions to this general rule may be indicated, particularly where projects are interdependent units of a system of projects. Such cases should be referred to the Chief of Engineers for a decision. Simple interest will also be computed on government financed costs for ordinary operation and maintenance expenses, using the annual interest rate determined by the U. S. Treasury Department for that fiscal year. This annual interest rate will be furnished by Engineer Circular annually and should be in agreement with the rate furnished by the Department of Interior to the marketing agencies. *

(3) Where storage space for water supply in Corps of Engineers projects is provided under the authority of the Water Supply Act of 1958, as amended, the interest rate for the portion of the project applicable to water supply will be determined as prescribed by that Act.

(4) Transfers from Construction Work In Progress to Plant In Service will be made on a progressive basis when facilities are physically completed and available for service. For example, on generator installations where a set of four or more generators are on a single work order but are put into service on different dates, they will be transferred to Plant In Service on those dates, with a credit work order cost account subsidiary to Account 107 Construction Work In Progress for those facilities transferred without disturbing the basic work order cost account for the four or more generators. The completed portions of the work order will also be established in a subsidiary cost account under Account 101 Plant In Service showing what was placed in service. (See para 8-4h(2)).

b. Applicability.

(1) Whenever it is necessary to account for interest or depreciation and amortization for any part of a reimbursable project, as for power functions of a multiple purpose project, all the facilities of the project will be treated uniformly in the same manner. However, subdivisions of the accounts for interest, depreciation and amortization should be maintained to segregate those factors which are applicable to the power or other reimbursable function from those which are applicable to the nonreimbursable functions of the project.

(2) In view of the fact that the interest, depreciation and amortization, and investment recovery factors do not enter into the data to be incorporated in budget and program submissions, these factors should not be included in the "work accounts" of the project. Insofar as practicable, entries in the accounts for interest, depreciation, amortization, and investment recovery will be made at the end of the fiscal year. If the information is required more frequently, it should be developed on worksheets during the year.

(3) In connection with multiple purpose projects, including power and other projects which involve reimbursable activities such as irrigation and municipal water supply, segregation will be maintained in the cost records of income, expense, depreciation, amortization and investment recovery to cover classes or items relating to specific facilities and joint facilities, such as power facilities, navigation facilities, flood control facilities, irrigation facilities, municipal water supply facilities, and facilities which are jointly used for the various purposes of the project.

(4) The instructions included in this manual differ from previously prescribed procedures. In cases where completed construction has been transferred to Plant In Service and interest and depreciation computations were made, and such transfers, computations and accruals have been entered in the accounts in accordance with instructions for periods prior to receipt of these instructions, retroactive adjustments thereof will not be made.

c. Timing of Transfers to Plant In Service - Multiple Purpose Projects.

(1) The various purposes of a project will be considered in service progressively as each purpose is essentially completed and available for serving the intended function which justified its inclusion in the project. Examples of purposes of a multiple purpose project are:

- (a) Flood Control
- (b) Navigation
- (c) Power
- (d) Irrigation
- (e) Municipal Water Supply
- (f) Recreation
- (g) Low Flow Regulation

(2) Transfers to Plant In Service will be effected for specific individual features, subfeatures, or units serving a project purpose, plus the related portion of joint facilities on the basis of the essential completion to the point of actual availability to serve the project purpose * (exceptions are explained below). Such transfers will be made as of the end of the month in which physical completion occurs. The in-

service date for Plant In Service will be considered as the first of the month following the availability to serve the project purpose, at which time interest during construction ceases and interest charged to operations commences on all construction costs pertinent to that purpose. Cost of boundary line survey and marking, when performed under the maintenance feature, Operation and Maintenance appropriation, will be transferred to Plant In Service at the close of each fiscal year.

* (3) Exceptions to total purpose transfers to Plant-In-Service (PIS).

(a) Power Purpose. Incremental transfers of construction cost to PIS for specific power facilities, joint use facilities allocated to power and related interest during construction will be determined as follows. Calculate the ratio for each unit (as a separate purpose) of a multi-unit installation, based on the nameplate kilowatt rating for each unit, to all the units scheduled initially as a part of a continuous construction schedule. Then on the last day of the month in which a unit becomes available for service, its ratio will be taken of the estimated total cost of the specific power facilities, the estimated total cost of the joint use facilities allocated to power and of the interest charged to construction related to the power purpose. The above outlines the cost computations necessary for determining the interim power PIS transfer values.

(b) Recreation Purpose. Incremental transfers of construction cost to PIS for specific recreation facilities, joint use facilities allocated to recreation and related interest during construction will be determined as follows. Calculate the ratio of each major development area (\$100,000 or 5% of the recreation purpose whichever is greater) separately and of the minor development areas and access points including trails collectively (each as a separate purpose) of a multi-area installation, based on the estimated construction cost for each area, to all the areas scheduled initially as a part of a continuous construction schedule. Then on the last day of the month in which an area becomes available for service, its ratio will be taken of the estimated total cost of the specific recreation facilities, the estimated total cost of the joint use facilities allocated to recreation and of the interest charged to construction related to the recreation purpose. The above outlines the cost computations necessary for determining the interim recreation PIS transfer values.

(c) Water Supply Purpose. (Reserved.)

(d) As of the first of the following month, interest as a charge to construction ceases and interest charged to operations commences on such increments of construction transferred to PIS, as described above.

*

(4) The costs transferred to Plant In Service will be the total estimated cost of the specific facilities being transferred, plus the portion of the total estimated joint use facilities cost allocated to that purpose. Generally, all project purposes are already in service at the time the final power unit is placed on the line, at which time Plant In Service accounts for all specific and joint use facilities will be adjusted to agree with actual costs. In the event that facilities for one or more other major purposes (purposes to which joint use costs are allocated) are not in service when the last power unit is placed on-line, such adjustment of Plant In Service accounts will be deferred until such purposes are in service. However, such final adjustment will not be deferred for final transfer to Plant In Service (either incrementally, see para 8-7f(3)(g), or in a lump-sum) for project purposes to which joint use costs are not allocated. After major project purposes are in service and Plant In Service accounts have been adjusted to reflect actual costs, additional costs incurred will be transferred at the end of each fiscal year prior to closing the accounts. In determining the related amount of joint cost to be transferred, care will be exercised to insure that cost allocations to specific purposes are made in conformance with the bases contained in the Cost Allocation Study prepared pursuant to EM 1160-2-101, "Cost Allocation for Multiple Purpose Projects."

d. Interest During Construction. During the period of constructing a project or additions thereto, interest on the costs of construction, including land costs, and on other project costs related to construction (e.g., the net changes during the period in accounts for construction facilities, stores, engineering, design supervision and administration) for each month will be computed as simple interest from the middle of that month until the date of transfer to Plant In Service. After transfer to Plant In Service accounts, as provided in subpara c preceding, interest will be charged in relation to the additional actual costs incurred for accomplishing final completion of the feature, subfeature or unit serving a project, in the same manner as for initial construction; however, it will be accounted for as interest charged to operations. Interest will be based on all accumulated costs excluding previous interest costs and excluding costs incurred under Contributions in Aid of Construction from Other than Federal Agencies. Interest during construction will be recorded in the accounts not later than the end of each current fiscal year. Interest cost will not be applied directly to the work order accounts, but will be held in Account 71.1 or 671.1 (GL 107) Undistributed Interest During Construction, until the work is transferred to Plant In Service. At that time, the applicable portion of the interest in Account 71.1 or 671.1 (GL 107), together with the other costs representing the completed work will be transferred to the appropriate Plant In Service accounts. The contra credit for interest cost charged to construction will be reflected in Account 92, or 692, as applicable (GL 134) Interest on Government Investment. All entries to accounts for interest during construction

will be supported by working papers showing applicable computations of current charges and allocations.

e. Interest Charged to Operations.

(1) The bases for interest charges to operations are the net investment in fixed assets, and the net income or expense of the year exclusive of current year interest and exclusive of costs incurred under contributions from other than Federal agencies. The procedures outlined below provide for an orderly computation of interest. The amount of interest will be recorded in the accounts not later than the end of each current fiscal year. All entries to accounts for interest charges to operations will be supported by working papers showing applicable computations and allocations.

(2) Prior to computing the interest to be charged to operations, direct operating costs and income will be allocated and transferred from current fiscal year accounts to Account 136 Nonreimbursable Costs and to Account 137.1 Results from Operations, as applicable. After the above has been accomplished, the following sequence of interest computations will be made to determine the amount of interest to be charged to operations:

(a) For Account 137 Status of Cost Recovery-Reimbursable Costs compute interest as follows:

* 1 Compute interest at one-half the full rate on the net total of the current year project expenses and income reflected in Account 137.1, excluding from the account the amounts of current year depreciation and amortization expense and the income reported by the marketing agency as allocated to the Corps' project. (The above excluded income amounts are considered in Account 135.2 Funds Returned to U.S. Treasury by Other Government Agencies, para 8-7e(2)(b), below). *

2 Compute interest at one-half the full rate on the net change during the year in Account 137.2.

3 Compute interest at the full rate on balances at the end of the preceding year in Account 137. -.

4 The result of these computations will normally be interest charged to reimbursable operations.

(b) Compute inverse (negative) interest on the current fiscal year charges recorded in Account 135.2 applicable to income collected by the marketing agencies for the reimbursable functions of the project. Normally this interest will be computed at the full rate for the period from the day following the date the income is allocated to the Corps of Engineers project to the end of the current fiscal year. Otherwise,

ER 37-2-10
Change 30
12 Apr 76

interest will be computed in accordance with specific agreements between the Corps of Engineers and the marketing agencies. The resultant amount of interest will be credited to reimbursable operations.

* (c) For the net unrecovered investment, compute interest as follows:

1 For multiple purpose project accounts subsidiary to Accounts 101.1 thru 101.14 Plant In Service, as applicable, compute interest at the full rate on the net total of the balances as of the end of the preceding fiscal year, and compute interest on current fiscal year changes on the same basis provided for initial construction, para d preceding.

* 2 Compute interest at the full rate on the net total of the balances as of the end of the preceding fiscal year, and at one half the full rate on current fiscal year changes, except as noted below, in the project accounts which are subsidiary to the following General Ledger accounts: *

* 102. Provision for Depreciation and Amortization, Plant In Service. Exclude current fiscal year depreciation and amortization charges in this account when computing interest on current fiscal year charges. *

108. Retirement Work In Progress (Multiple Purpose Projects)

179. Deferred and Other Undistributed Items (Operation and Maintenance Work and Emergency Activities)

3 The result of these computations will normally be interest charged to reimbursable and nonreimbursable operations. The resultant amount will be allocated to all the purposes of the project in proportion to the unrecovered construction investment in the various purposes.

f. Depreciation and Amortization.

(1) General. All multiple purpose project Plant In Service, other than fee-simple land payments, will be subject to depreciation or amortization accounting as defined in description of GL 102, para 2-22d. Depreciation and amortization will be based on the book cost of Plant In Service, including interest during construction and contributions in aid of construction.

(2) Depreciation Method. The compound interest depreciation method will be used to compute annual depreciation and amortization expense. Under this method the annual depreciation or amortization expense charged to operations and concurrently credited to the provision for depreciation and amortization for a single item of plant will consist of an annuity element and an interest element.

(a) The annuity element consists of an equal annual year-end payment which if invested at a given rate of interest over the service life of the item would accumulate to the depreciable cost of the item. The amount of the annuity is computed by multiplying the depreciable cost of the item times the sinking fund factor (periodic deposit that will grow to \$1 at a future date) for the applicable interest rate and number of periods (service life years).

(b) The interest element of annual depreciation consists of interest for the year on the depreciation or amortization (annuity plus interest) accrued to the beginning of the year, at the same rate as is used for computing the annuity. This interest element bears no relationship to, and should not be construed as representing either capitalized interest during construction or interest expense charged to operations.

(c) Annual compound interest depreciation charges are low in the early years of the service life of the item increasing each year in a geometric progression until accrued depreciation equals the depreciable base at the end of the service life.

(3) Application Criteria. The criteria which will govern the application of the compound interest depreciation method for Corps of Engineers projects are prescribed below.

(a) Interest Rates. The interest rates to be used to compute depreciation for each project will be the rates used for determination of interest on investment in accordance with para 8-7a. Applicable compound interest and annuity factors contained in tables which were furnished district and division engineers under cover of letter ENGCW-PP, subject: Compound Interest Tables, 11 August 1965, may be used. If commercially published interest tables are used, the applicable factors will be rounded to five decimal places.

(b) Computation Levels. The annuity element of annual depreciation will be computed at the plant feature and subfeature account level. The interest element will be computed at the project level with amounts related to each project purpose computed separately. As indicated below, it is essential that the interest element be computed separately with respect to joint use facilities applicable to each purpose, rather than computed as a lump sum amount for total joint use facilities to be allocated to purposes on the basis of joint use cost allocation percentages.

(c) Service Lives. The annuity element of annual depreciation will be computed on the basis of uniform composite service lives established in conformance with para 8-7i, and Illustration 8/3. To eliminate the need for interpolation of compound interest factors, composite service lives will be rounded to the nearest full year. The rounding principle stated in para 6-22d will apply.

ER 37-2-10
Change 30
12 Apr 76

(d) Depreciation Periods and Bases. Depreciation will be computed and recorded annually at the end of each fiscal year in accordance with para 8-7b(2).

1 During the interim progressive in-service period (para 8-7f(3)(g), below), annual depreciation will be computed to consist of:

a Annuity for the full year with respect to Plant In Service at the end of the preceding year.

b Annuity for the fraction of a year from each in-service date to the fiscal year end with respect to plant placed in service at each progressive in-service date during the year.

c Interest for the full year on the balance of the provision for depreciation and amortization (accrued depreciation net of retirements charged off) at the end of the previous year.

2 After facilities related to all major project purposes have been placed in service the annual depreciation will be computed as:

a Annuity for the full year on the average plant in service during the year (Plant In Service at the end of the preceding year plus one half of the net change in Plant In Service during the year).

b Interest for the full year on the net balance of the provision for depreciation and amortization at the end of the previous year.

3 Occasionally there will be major additions to Plant In Service, constructed under a separately authorized project modification. In the fiscal years in which such additions to plant occur, the annuity on the separately authorized additions will be computed to cover the fractional part of the year following the in-service date(s), in the same manner as for additions to plant during the interim in-service period (para (3)(d)1, above). Also, the amount of the separately authorized modifications added to Plant In Service must be excluded from the net change in plant during the year in the base for computation of the annuity on the average Plant In Service (para (3)(d)2a, above).

(e) Classifying Depreciation by Project Purposes.

1 Annuity. The functional classification of each plant feature and subfeature account will provide the basis for classification of the annuity element of depreciation related to each plant account. The allocation to purposes of the annuity depreciation related to joint use Plant In Service will depend upon the project in-service status.

a During the progressive in-service period, the annuity element of depreciation of joint use plant for each period will be allocated to purposes in the ratio of the joint use Plant In Service for each purpose to the total joint use Plant In Service (Illustration 8/1).

b After the final progressive in-service date, the joint use annuity element will be allocated on the basis of the construction cost allocation percentages (Part I, Illustration 8/2).

2 Interest. The interest element of depreciation is computed on the basis of the balance of the provision for depreciation and amortization. This account consists of two components for each of which the portion related to joint use facilities is allocated on a different basis, as outlined below, and as indicated in Part II, Illustration 8/2.

a With respect to the portion of the retirements component of the provision which is related to joint use facilities, allocation to purposes will be in accordance with the construction cost allocation percentages.

b For the accrued depreciation component of the provision for depreciation, the actual allocation of joint use plant depreciation accrued will never reflect construction cost allocation percentages. This situation results from the method of allocating annuity depreciation of joint use facilities during the interim in-service period, para (3)(e)1a, above.

c Consequently, to provide a basis for the computation of the interest element of depreciation of joint use facilities allocated to each project purpose, a continuing record of the actual allocation of the provision for depreciation must be maintained.

(f) Application of Revised Composite Service Lives. When composite service lives are revised in conformance with para 8-7j, accrued depreciation will not be retroactively adjusted as a result of the revision.

(g) Definition: Progressive In-service Period. Where cited in this regulation the term "Progressive In-service Period" refers to the period from the initial project in-service date until the end of the fiscal year in which the final increment of facilities devoted to major project purposes, and constructed under a continuously scheduled construction program, are transferred to Plant In Service. Facilities devoted to major project purposes are facilities related to purposes included in the project authorization. Facilities related to purposes to which joint use costs are not allocated and which were not included in the project authorization, such as recreation facilities added by authority of general legislation (i.e., the Flood Control Act of 1944) shall be considered as being devoted to a minor project purpose.

(h) Depreciation of Facilities Devoted to Minor Purposes. Such facilities are placed in service in increments as construction of a separable facility or group of facilities is completed and available for service. Depreciation for the year in which such completed facilities are placed in service will consist of the annuity computed for the fractional part of the year from the in-service date to the fiscal year

ER 37-2-10
Change 30
12 Apr 76

end. Thereafter, depreciation is computed in accordance with Illustration 8/2.

(4) Computing Depreciation and Amortization Expense.

(a) After Progressive In-service Period. Depreciation and amortization will be computed in accordance with the procedure illustrated in Illustration 8/2 for projects for which all facilities are in service at the beginning of the fiscal year involved.

(b) During Interim In-service Period. For each fiscal year in which progressive additions to plant occur, depreciation and amortization for the year involved will consist of two increments computed as follows:

1 Annuity and interest based respectively on Plant In Service and the balance of the provision for depreciation at the end of the preceding year. This increment will be computed in accordance with Illustration 8/2, except that the net change in plant for the year (Cols 4 and 5, Illustration 8/2) will be limited to retirements and/or adjustments other than progressive additions to plant.

2 Based on each progressive addition to plant, annuities for the partial year from the progressive in-service date to the fiscal year end will be computed in accordance with Illustration 8/1.

g. Cost and Investment Recovery.

(1) The legal requirements with respect to plant used for the production of salable power or other reimbursable services are that the rates charged for such power or services be sufficient to recover the government investment allocated to the reimbursable portion of the project over a reasonable period of years. Usually, the period of such recovery does not extend to the same period as estimated for the useful service life of the project. The gross investment recovery is reflected by the sum of Accounts 102 Provision for Depreciation and Amortization, Plant In Service; and Accounts 137.1 and 137.2.

(2) The income of the reimbursable functions of the project, less the amounts of expense, depreciation and amortization, and interest charged to operations, will be reflected in Account 137.1 Results from Operations. In addition, the net gain or loss on retirement of land relating to reimbursable functions will be reflected in Account 137.2 Gain or Loss on Retirement of Land (multiple purpose projects). The sum of Accounts 137.1 and 137.2 will reflect the net recovery of costs on an operating cost basis, including amounts for depreciation and amortization of Plant In Service.

h. Allocation of Actual Operation and Maintenance Expenses for Multiple Purpose Projects:

(1) Basis. The basis for allocating actual costs for multiple purpose projects to the various functions served is for engineering determination and is contained in the basic project cost allocation as outlined in ER 1160-2-101.

(2) Procedure.

(a) Actual operation expenses will be recorded in the project cost records under the 601 thru 619 series of accounts. Such accounts, except Account 619. - Supervision and Administration can generally be readily identified with specific or joint use facilities. Similar identification of operating supervision and administration costs, Account 619. -, can be obtained by worksheet distribution thereof to all other operating expense accounts. Operating expenses applicable to joint use facilities will be allocated to the various project purposes on the basis of allocation of joint operation and maintenance costs in the basic cost allocation study.

(b) Actual maintenance expenses will be recorded under the 620 thru 635 series of accounts; and, for major and minor rehabilitation, under the 01 thru 52 series of accounts. These accounts can be readily identified with specific or joint use facilities. Maintenance expenses applicable to joint use facilities, excluding costs relating to additions to or retirements of Plant In Service, will be allocated to project purposes on the basis of the allocation of operation and maintenance expense contained in the basic cost allocation study. Joint use maintenance expenses applicable to additions to or retirements of Plant In Service will be allocated to project purposes in accordance with the allocation of construction costs in the basic project cost allocation study.

i. Capital Plant Accounting, Additions, Replacements, Major Repairs, and Betterments.

(1) General. Estimating, budgeting, accounting, and reporting of all elements of plant costs will be in conformance with the uniform list of plant items and retirement units and related service lives prescribed in Appendix 8-I.

(2) Capital Plant Records. Project Plant In Service will be inventoried at the level of principal items and sub-items prescribed for each feature and subfeature account, and the inventories will be priced. Such priced inventories will constitute capital plant records. If the project construction and operating records do not contain adequate data for determination of the plant inventory list, a physical count of the items will be required. Capital plant records should be maintained in such a manner that data may be available with respect to major plant additions, replacements, and retirements for future plant mortality studies, etc.

(3) Pricing Capital Plant Inventories.

(a) General. Priced inventories for each project plant feature and subfeature account will reflect balances of related Plant In Service accounts. The elements of construction or acquisition (including installation when applicable) cost (including contributions in aid of construction) and interest during construction will be separately priced for each feature and subfeature.

(b) Pricing Bases.

1 Construction or Acquisition Costs.

a General. The basic cost of each item in the plant inventory will be the direct construction or acquisition cost thereof. Distributive costs (E&D, S&A, etc.) applicable to each feature or subfeature will be assigned to individual plant items on the basis of such direct cost. When project records are not adequate for assignment of cost to plant items, the construction cost of a feature or subfeature will be assigned to applicable plant items by engineering analysis and determination. Such assignment of cost should be performed by qualified technical personnel who possess adequate knowledge of the project involved, applying such knowledge with judgment and discretion.

b Progressive Interim Transfers to Plant In Service. Interim plant inventories will be prepared to reflect total Plant In Service or available for service as of each progressive in-service date (as defined in para 8-7c) during the continuously scheduled construction program. Except at the final interim progressive in-service date, all interim inventories will reflect the portion of total estimated project construction cost in Plant In Service accounts. The final interim inventory will reflect the total actual construction cost incurred to the final in-service date in accordance with para 8-7c(4). The basis for pricing of individual interim inventory items will be either the estimated or actual direct construction cost assignable thereto, as applicable. At each fiscal year end the final interim inventory will be updated to include additional costs transferred to Plant In Service at the fiscal year end in accordance with the last sentence of para 8-7c(4).

c Updating Plant Inventories. After the final interim in-service date, the project plant inventory will be updated at each fiscal year end to reflect changes to Plant In Service resulting from routine retirements, additions, or replacements of plant during the fiscal year. Bases for pricing individual items added to Plant In Service will be the construction or acquisition cost reflected in the applicable maintenance work order cost accounts. Plant items will be retired from

service at the construction or acquisition cost indicated therefor in current capital plant records, and the next updated inventory will reflect such retirements.

d Separately Authorized Modifications. When additions or replacements of plant result from separately authorized project modifications, individual plant items added will be priced in the same manner as initial project construction, as set forth above. Pricing of items removed from service as the result of such modifications will be the same as for routine retirements.

2 Interest During Construction. Total interest during construction included in each Plant In Service feature or subfeature account will be assigned to applicable plant items in service on the basis of the total construction or acquisition cost of each item.

(4) Plant Additions, Replacements, Betterments, Retirements, and Major Repairs. The cost of such activities, whether funded under the Operation and Maintenance appropriation or the rehabilitation category of the Construction, General appropriation, shall be accounted for as either capital plant costs or maintenance expense in accordance with the provisions of Appendix 8-I.

j. Composite Service Lives.

(1) General. Composite plant service lives will be established for each plant feature or subfeature account to provide the bases for depreciation and amortization computations. Composite service lives will be computed on the basis of priced plant inventories and the service lives prescribed for principal plant items in Appendix 8-I, using the procedure depicted in Illustration 8/3.

(2) Interim Composite Service Lives - Estimated Cost. Composite service lives will be established no later than the initial progressive in-service date for interim use during the progressive project in-service period as defined in para 8-7f(3)(g). Computation of interim composite lives will be based upon the total estimated construction cost assigned to each plant inventory item of each feature and subfeature plant account, and the applicable service lives prescribed in Appendix 8-I. If, with respect to one or more project features or subfeatures or the total project, the scope of the construction program and/or the estimated construction cost is revised during the construction period to the extent that interim composite service lives would be changed, such interim lives will be recomputed and the revised interim lives will be used thereafter.

(3) Final Composite Service Lives - Actual Cost. Upon final progressive interim transfer to Plant In Service, final composite service lives will be computed substituting actual total construction cost for estimated total cost. The final composite lives will be used thereafter. Retroactive depreciation adjustments based on the recomputed service lives will not be made without prior approval of the Chief of Engineers. In the event such adjustments are considered warranted, request for approval thereof will be submitted to HQDA, (DAEN-RMF-C), WASH, DC 20314, citing all pertinent information.

(4) Updating and Recomputing Final Composite Lives. Such service lives will be updated and recomputed only when the nature of additions, retirements, or replacements of capital plant would materially affect the composite lives of one or more features or subfeatures. Such recomputed service lives will be effective as of the date of the change in capital plant which resulted in the recomputation, and will not be applied retroactively.

(5) Submission Procedure. Two copies of the initial interim composite life computations for each project, in the format of Illustration 8/3, will be submitted to HQDA within 90 days after the initial project in-service date. Also, two copies of the basic final composite life computations will be submitted within 90 days after the final progressive in-service date. One copy of each submittal will be marked for HQDA, (DAEN-CWO-M), WASH, DC 20314, and the other to HQDA, (DAEN-RMF-C), WASH, DC 20314.

3-8. Real Estate Administration.

a. Chart and Description of Real Estate Activity Cost Accounts. The following classification of real estate activity cost accounts is prescribed for use by the Corps of Engineers for Civil Works cost accounting. These cost accounts are provided for management information purposes and to accumulate costs at the level required for preparation of the "Real Estate Schedule Cost and Performance" report, ENG Form 4564 (RCS DAEN-RE-10(R3)) prescribed in ER 405-1-11.

b. Description of Real Estate Administration Cost Accounts.
*These cost accounts are described in EP 405-1-2 and are to be maintained on a project-by-project basis for all Civil Works real estate activities. These cost accounts are to accumulate data required for preparation of ENG Form 4564 in compliance with ER 405-1-11. These cost accounts will be consolidated on a district-wide basis for report preparation purposes and furnished to the responsible District/Division Real Estate office.

c. Application of Cost to Accounts. In the following chart of accounts, the Construction and the Operation and Maintenance cost accounts to be charged are cited for each real estate activity account prescribed. Costs incurred in connection with other Civil Works activities will be charged as follows:

(1) Revolving Fund. Charge applicable acquisition, retirement, or other work orders; work in progress, or other cost accounts, as appropriate.

(2) General Investigations. Charge applicable subdivisions of appropriate 500.- series accounts.

(3) Flood Control and Coastal Emergencies. Charge applicable subdivisions of appropriate 200.- series accounts.

(4) General Expenses (Special Investigations). Charge cost account No. 755.

ER 37-2-10
Change 56
15 Aug 85

CHART OF REAL ESTATE ACTIVITY COST ACCOUNTS

RE Activity Accounts (a)	Activity Title	Cost Account to be Charged (b)		
		Construction (c)	Oper & Maint	Gen Invest
01 - 17	<u>REAL ESTATE ACTIVITY EXPENSE</u>			
01	<u>Project Planning</u>			
01A	Pre-Authorization Planning	01.01, 02.01 02.41, 02.71	620.01	501.12, 502.12 503.51, 504.51
01B	Post-Authorization Planning	01.02, 02.02 02.42, 02.72	620.02	505.51
01C	Attorneys' Opinion of Compensability	01.03, 02.03 02.43, 02.73	620.03	
* 02	<u>Acquisition</u>	01.11, 01.12 01.13, 01.14 02.15, 02.16 02.17, 02.18 02.55, 02.56 02.57, 02.58 02.85, 02.86 02.87, 02.88	620.11 620.12 620.13 620.14	
03	<u>Condemnation</u>	01.20, 02.07 02.47, 02.77	620.3	
04	<u>Inleasing</u>			
04A	Recruiting Facilities	51.11	666.81	
04B	Non-Recruiting Facilities	51.12	666.82	
05	<u>Appraisal</u>			
05A	Staff Appraisal	01.31, 02.05 02.45, 02.75	620.21	503.52, 504.52 505.52
05B	Contract Appraisal	01.32, 02.06 02.46, 02.76	620.22	503.53, 504.53 505.53
06	<u>Relocation Assistance</u>	01.50, 02.08 02.48, 02.78 51.13	620.40 666.83	

*

8-8c

8-108

CHART OF REAL ESTATE ACTIVITY COST ACCOUNTS

RE Activity Accounts (a)	Activity Title	Cost Account to be Charged (b)		
		Construction (c)	Oper & Maint	Gen Invest
07	<u>Compliance Inspections</u>			
* 07A	Major	51.21	611.11 611.12	
07B	Minor	51.22	601.42	
08	<u>Utilization Inspections</u>			
08A	Major	51.23	611.21	
08B	Minor	51.24	611.22	
09	<u>Outgranting</u>			
09A	Major	51.25	611.41	
09B	Minor	51.26	611.42	
10	<u>Disposals</u>	01.60, 01.91 01.92, 02.09 02.49, 02.79 51.14 (d)	620.43 666.8 (d)	
11	<u>Local Cooperation</u>	30.9	634.4	503.49, 504.49 505.49
12	<u>Timber Harvest</u>	51.6	620.70	
13	<u>Temporary Permits</u>	01.70, 02.10 02.50, 02.80	620.50	
14	<u>Encroachments</u>	01.80	620.60 620.81 620.82	
15	<u>Audits</u>	02.11, 01.40 02.51, 02.81	611.50	
16	<u>Administrative Activities</u>	53 (e)	653 (e)	
17	<u>District Overhead</u>	31.43, 31.44	635.43 635.44	

*

ER 37-2-10
Change 54
28 Feb 85

RE Activity Accounts (a)	Activity Title	Cost Account to be Charged (b)	
		Construction (c)	Oper & Maint
18	<u>Real Estate Payments</u>		
* 18A	Land Payments	1.93, 2.82 2.52, 2.12	620.91
18B	Relocation Assistance	1.94, 2.83	620.92
*	Payments (PL 91-646)	2.53, 51.15 2.13	666.85
* 18C	Damage Payments	1.95, 2.84 2.54, 2.14	620.93
18D	Rents, Initial Altera- tions and Restorations	51.16	666.86

NOTES:

(a) Includes all costs incurred in connection with Civil Works real estate activities of the district. Separation of costs incurred in connection with activities performed by contract and those performed by Government forces should be maintained, as applicable, in the related cost feature accounts chargeable. Descriptions for each Real Estate Activity title (line item), including work units, are found in EP 405-1-2.

* (b) Two or more chargeable cost features are cited for a number of real estate activity accounts. In such instances, the appropriate cost feature should be charged based upon the nature and purpose of the specific real estate activity involved. Example: For real estate activity title "Disposals," the cost of disposal of improvements to be removed from nonexcess land should be charged to subfeature 01.09, 02.09, 02.49, or 02.79, as applicable; disposal of a temporary building carried directly as a construction facility in a single construction feature should be charged to that feature; and termination of an in-lease should be charged to subfeature 51.14.

(c) Real estate activity costs incurred in connection with land and land rights acquired for the purpose of relocating the property of others and which will be conveyed to others will be charged to feature 02, Relocations. For this purpose, a separate set of lands and damages cost accounts will be maintained for each project, as applicable. This set of accounts will be subdivided to the sublevel prescribed for feature 02, Relocations in Appendix A-1, ER 11-2-240.

*

- * (d) Cost accounts for the leasing program, including 51.11, .12, .13, .14, and 666.81, .82, .83, and .84 will be maintained at project level, as applicable. These accounts will be concurrently charged and credited with pertinent costs of the leasing program which are likewise applicable to feature or other cost accounts and no balances will remain in these accounts. However, information on the gross costs of the leasing program will be maintained in these accounts for ENG Form 4564 purposes which are not included in other real estate activity report line items. *
- (e) Cost accounts 53 and 653 are clearing accounts established for convenience in the initial costing of real estate activities included in real estate activity title "Administrative Activities." However, since these "Administrative Activities" costs are technical indirect costs as defined in para 7-23a(2)(a)2, technical indirect procedures may be used in lieu of the above cost accounts. Accumulated costs will be cleared from cost accounts 53 and 653, when used, by distribution to other applicable cost accounts not less frequently than at the end of each fiscal year. Distribution of the accounts will be prorata on the basis of direct real estate activity costs charged during the period. Gross costs of Administrative Activities incurred must be separately identifiable for ENG Form 4564 purposes and not included in the ultimate real estate activity account for report purposes.
- * (f) Rescinded.

BLANK PAGE

BLANK PAGE

BLANK PAGE

ILLUSTRATION 8/1: Specimen Computation of Depreciation Expense on Interim Progressive Transfers to Plant in Service, FY 1967

ACCT NO	ACCOUNT OR ITEM TITLE OR ITEM	(1) EST SERV LIFE YRS.	(2) FUNC- TIONAL CLASSIF- ICATION	(3) SINKING FUND ANNUITY FACTOR	(4) INTERIM ADDITIONS TO PLANT AT 11/30/66 AMOUNT	(5) ANNUITY REQUIREMENT ANNUAL (Col 3 X Col 4)	(6) THIS YEAR (Col 5 X 7/12)	(7) INTERIM ADDITIONS TO PLANT AT 2/28/67 AMOUNT	(8) ANNUITY REQUIREMENT ANNUAL (Col 3 X Col 7)	(9) THIS YEAR (Col 8 X 4/12)	(10) TOTAL ANNUITY REQUIREMENT FOR YEAR (Col 6 + Col 9)	(11) TOTAL ADDNS TO PLANT (Col 4 + Col 7)
01	Lands & Damages (Excl Land Payments)	100	Joint	.00231	337,350(a)	779	FACTOR:	121,446(a)	281	FACTOR:		458,796
02	Relocations (Excl Land Payments)	100	Joint	.00231	3,701,250(a)	8,550	7/12 =	1,332,450(a)	3,078	4/12 =		5,033,700
03	Reservoirs	100	Joint	.00231	272,650(a)	630	0.58333	98,154(a)	227	0.33333		370,804
04.1	Main Dam	95	Joint	.00265	10,727,300(a)	28,427		3,861,828(a)	10,234			14,589,128
04.3	Dam - Outlet Wks Excl Power Intake - Water Supply Intake	75	Sp W.B.	.00465	-	-		65,950	307			65,950
05	Locks	46	Sp Nav	.01183	6,417,750	75,922		-	-			6,417,750
06	Fish and Wildlife	88	Joint	.00321	3,867,300(a)	12,414		1,392,228(a)	4,469			5,259,528
07.1	Powerhouse	93	Sp Pwr	.00280	-	-		2,885,190	8,079			2,885,190
07.2	Turbines and Generators	55	Sp Pwr	.00865	-	-		3,544,140	30,657			3,544,140
07.3	Accessory Electric Equip.	40	Sp Pwr	.01484	-	-		456,146	6,769			456,146
07.4	Misc Power Plant Equip.	37	Sp Pwr	.01674	-	-		136,300	2,282			136,300
07.5	Tailrace	100	Sp Pwr	.00231	-	-		25,414	59			25,414
07.6	Switchyard	45	Sp Pwr	.01227	-	-		603,080	7,400			603,080
08	Roads, Railroads & Bridges	70	Joint	.00540	149,300(a)	806		53,748(a)	290			203,048
11	Levees and Floodwalls	100	Joint	.00231	115,700(a)	267		41,652(a)	96			157,352
13	Pumping Plant	60	Joint	.00735	35,650(a)	262		12,834(a)	94			48,484
14	Recreation Facilities	55	Sp Rec	.00865	-	-		-	-			-
19	Buildings, Grounds & Utilities	67	Joint	.00591	1,222,050(a)	7,222		439,038(a)	2,600			1,661,988
20	Permanent Operating Equip.	30	Joint	.02278	169,150(a)	3,853		60,894(a)	1,387			230,044
TOTALS (Excl Land Payments)					27,015,450	139,132	81,160	15,131,392	78,309	26,103	107,263	42,146,842
SUMMARY												
	Specific Power				-	-	-	7,650,270	55,246	18,415	18,415	7,650,270
	Specific Navigation				6,417,750	75,922	44,288	-	-	-	44,288	6,417,750
	Specific Water Supply				-	-	-	65,950	307	103	103	65,950
	Specific Recreation				-	-	-	-	-	-	-	-
	Joint Use Facilities:											
	Allocated to Power				-	- (b)	-	3,295,632(a)	10,113(b)	3,371	3,371	3,295,632
	Alloc. to Navigation				20,597,700(a)	63,210(b)	36,872	- (a)	- (b)	-	36,872	20,597,700
	Alloc. to Water Supply				-	- (b)	-	4,119,540(a)	12,643(b)	4,214	4,214	4,119,540
	Total Joint Use Facilities				20,597,700	63,210	36,872	7,415,172	22,756	7,585	44,457	28,012,872
	TOTAL				27,015,450	139,132	81,160	15,131,392	78,309	26,103	107,263	42,146,842

NOTES: (a) Applicable portion of total estimated cost of joint use facilities allocated to each purpose being placed in service.

(b) Total annual annuity requirements for joint use facilities will be allocated to purposes in the ratio of joint use facilities added to plant for each purpose (Cols 4 and 7) to total joint use additions to plant (Cols 4 and 7).

ER 37-2-10
Change 23
21 Sep 73

Illustration 8-2: Specimen Computation of Annual Depreciation Expense, After Progressive In-Service Period

Page 1 of 2

ACCOUNT		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Serv.	Functional	BASES - PLANT IN SERVICE			Average	SINKING FUND	
NO.	TITLE OR ITEM	Life	Classifi-	Beginning	NET CHANGE IN YEAR		(Col. 3 + Col. 5)	Factor	Annuity
		Yrs.	cation	of Year	Total	1/2 Total			(Col. 6 X Col. 7)
PART I - COMPUTATION OF ANNUITY ELEMENT:									
01	Lands and Damages (Excl Land Pay)	100	Joint Use	674,725	-	-	674,725	.00231	1,559
02	Relocations (Excl Land Payments)	100	Joint Use	7,392,515	-	-	7,392,515	.00231	17,077
03	Reservoirs	100	Joint Use	545,315	-	-	545,315	.00231	1,260
04.1	Main Dam	95	Joint Use	21,384,580	-	-	21,384,580	.00265	56,669
04.3	Dam - Water Supply Intake	75	Spec Wtr Supp.	67,250	2,740	1,370	68,620	.00465	319
05	Locks	46	Spec Navig.	6,459,995	-	-	6,459,995	.01183	76,422
06	Fish and Wildlife	88	Joint Use	7,714,570	-	-	7,714,570	.00321	24,764
07.1	Powerhouse	93	Spec Power	14,325,950	-	-	14,325,950	.00280	40,113
07.2	Turbines and Generators	55	Spec Power	17,616,675	-	-	17,616,675	.00865	152,384
07.3	Accessory Electric Equipment	40	Spec Power	2,230,720	-	-	2,230,720	.01184	33,104
07.4	Misc. Power Plant Equipment	37	Spec Power	670,300	6,194	3,097	673,397	.01674	11,273
07.5	Tailrace	100	Spec Power	117,070	-	-	117,070	.00231	270
07.6	Switchyard	45	Spec Power	2,955,055	-	-	2,955,055	.01227	36,299
08	Acads, Railroads, and Bridges	70	Joint Use	288,580	-	-	288,580	.00540	1,550
11	Levees and Floodwalls	100	Joint Use	221,400	-	-	221,400	.00231	511
13	Pumping Plant	60	Joint Use	71,310	-	-	71,310	.00735	524
14	Recreation Facilities	55	Spec Recr	175,270	-	-	175,270	.00265	1,516
19	Buildings, Grounds and Utilities	67	Joint Use	2,422,125	-	-	2,422,125	.00591	14,315
20	Permanent Operating Equipment	30	Joint Use	338,280	10,220	5,110	343,390	.02278	7,822
TOTALS (Excl Land Payments)				85,671,685	19,154	9,577	85,681,262	-	477,719

ILLUSTRATION 8/2: Specimen Computation of Annual Depreciation Expense, After Progressive In-Service Period

Page 2 of 2

PART II - COMPUTATION OF INTEREST ELEMENT, AND SUMMARY:

ITEM	(1) ACCRUED DEPRECIATION	(2) BASIS - PROV. FOR DEPRECIATION AT BEGINNING OF FISCAL YEAR LESS: LOSS OR (GAIN) ON RETIREMENTS	(3) BALANCE	(4) INTEREST AT 2.5% (Col. 3 X 0.025)	(5) ANNUITY (From Col. 8 Part I)	(6) TOTAL DEPRECIATION FOR YEAR (Col 4 + Col 5)
Specific Power	6,005,407	7,630	5,907,777	147,695	273,403	421,098
Specific Navigation	1,898,905	2,715	1,896,190	47,405	76,422	123,827
Specific Water Supply	7,576	-	7,576	189	319	508
Specific Recreation	16,589	(745)	17,334	433	1,516	1,949
Joint Use Facilities:						
Allocated to Power	1,108,177(a)	110,384(b)	997,793	24,945	50,424(b)	75,369
Allocated to Navigation	1,541,350(a)	137,980(b)	1,403,370	35,084	63,029(b)	98,113
Allocated to Water Supply	303,220(a)	27,596(b)	275,624	6,891	12,606(b)	19,497
Total Joint Use Facilities	2,952,747(a)	275,960(b)	2,676,787	66,920	126,059(b)	192,979
TOTALS	10,881,224	375,560	10,505,664	262,642	477,719	740,361

NOTES:

(a) Actual accrued joint use depreciation assigned to individual purposes.

(b) Total joint use costs allocated to purposes on basis of project construction cost allocation percentages

ILLUSTRATION 8/3

SPECIMEN
COMPUTATION OF COMPOSITE SERVICE LIVES

Account 07.4: Miscellaneous Power Plant Equipment

(1)	(2)	(3)	(4)
BASIC DATA (Simulated)			
Plant Item No (a)	Service Life Years (a)	Plant Cost	Plant Cost Expiring Annually (b)
1	100	\$493,614	\$ 4,936
2	50	6,797	136
3	50	10,182	204
4	35	34,965	999
5	25	31,958	1,278
6	25	68,045	2,722
7	15	24,738	1,649
Account Total		\$670,299	\$11,924

Composite Life - Years 56.2 (c)

- (a) Principal Plant Items from Uniform List.
- (b) Annual plant consumption during the estimated service life;
Column 3 ÷ Column 2.
- (c) Account Totals, Column 3 ÷ Column 4; rounded to nearest
one-tenth year.

APPENDIX I
to Chapter 8

LIST OF PLANT ITEMS AND RETIREMENT UNITS OF PROPERTY,
WITH SERVICE LIVES, FOR CORPS OF ENGINEERS MULTIPLE-
PURPOSE PROJECTS

1. Plant Items.

a. General. The list of plant items will provide the framework for detailed capital plant records (inventories) of project plant in service, and, in conjunction with the related plant service lives, provide the basis for establishment of composite depreciation rates. The listed plant items consist of principal items and subitems. Although the subitems generally are assigned the maximum service lives of the principal items under which classified, the capital plant records will be detailed to the subitem level in order to provide a more realistic inventory of capital plant in service.

b. Capital Plant Accounting. This accounting involves the adjustment of plant in service accounts and capital plant record to reflect additions to and retirements of plant and equipment, either with or without replacement. In order to avoid undue refinement in capital plant accounting, plant items will consist of retirement units and minor items of property.

2. Retirement Units. The listed retirement units denote the smallest items or components of plant and equipment which, when added to or retired from plant in service, will be accounted for in capital plant accounts. Additions to, or retirements of, plant comprising any combinations of listed retirement units shall be considered as retirement units for capital plant accounting.

3. Minor Items of Property. All components of plant and equipment which have not been specifically designated as retirement units, including various individual components of a retirement unit, shall be considered as minor items of property. Costs incurred in connection with additions or retirements of minor items will be accounted for as maintenance expense, except as modified in para 5, below. However, when minor items of property are added to plant in service or replaced independently of the retirement units or plant items of which they are a part, the addition or replacement will be accounted for as a capital plant addition or retirement, if the change results

in a substantial betterment; i.e., a substantial increase in the efficiency, durability, or capacity of the property affected.

4. Service Lives and Depreciation. The uniform service lives prescribed for the listed plant items provide the basis for establishment of composite service lives and depreciation rates at the feature and subfeature account level.

5. Instructions, Retirement Units. The following instructions for application and interpretation of the list of retirement units will be considered as an integral part of the list.

a. The list of plant items and retirement units and related service lives will be applied uniformly to all Corps of Engineers multiple purpose projects. It is recognized, however, that in unusual or extreme cases, exceptions may be both necessary and desirable. Therefore, when modification of either the list of retirement units or of the established service lives is considered warranted by special circumstances peculiar to a specific project, the proposed modification will be submitted to HQDA, (DAEN-ECF-C), WASH, DC 20314 for approval.

b. The word "each," or the article "a," "an," or "the," as appropriate, will apply to each retirement unit listed unless specifically precluded by the wording of the retirement unit definition.

c. Plant and equipment for which plant items and retirement units are listed under Feature Account 20, Permanent Operating Equipment, should be included in other features and subfeatures, when applicable. In such cases, the plant items and retirement units prescribed under Account 20 will be used.

d. When retirement units are added to plant, either with or without replacement of existing equipment, the cost thereof will be added to the applicable plant in service accounts. Conversely, when retirement units are retired, with or without replacement, the cost of the units so retired will be deducted from plant in service accounts.

e. Because of workload and funding considerations, replacement of various components which comprise a complete retirement unit may be scheduled for accomplishment progressively over more than one fiscal year. In such cases, the ultimate replacement of the entire retirement unit shall be treated as a capital plant replacement upon completion.

ER 37-2-10
Change 23
21 Sep 73

f. Retirement units for systems, such as power, lighting, water, sewerage, and drainage, or for equipment, such as elevators and bridge cranes, will not include such embedded items as piping, conduit, grounding cable, and crane or guide rails, unless such embedded items are specifically provided for the retirement unit or related plant item descriptions.

g. Definitions.

(1) A lighting or power board is a free standing metal inclosed structure including main and auxiliary circuit breakers, meter, transformers, and similar equipment, and does not include separately mounted power or lighting panels.

(2) A control switchboard is a free standing metal inclosure containing control switches, instruments, relays, and other associated accessories for the control of operating equipment.

(3) The concrete buildings classification will include those of steel reinforced poured concrete and pre-stressed concrete slab construction. Buildings of concrete or cinder block, and similar types of construction will be classified as building other than concrete.

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
01	330			<u>LANDS AND DAMAGES</u>			
				1. Fee Land (Payments to Owners)	-	Each parcel retired or added	Each parcel of land added to, or retired from, project plant will constitute a Retirement Unit. However, because retirement value of fee land is expected to equal the initial cost, this item will not be depreciated.
				2. Easements, Lesser Interests, Resettlements and Damages	100	None	Costs of easements, lesser interests, resettlements, damages and Government costs of acquiring lands and land rights, are not recoverable as retirement (salvage) receipts upon termination of the project. Therefore, these items must be amortized over the project life.
				3. Land Acquisition Expense	100	None	
02	330			<u>RELOCATIONS</u>			
				1. Lands and Damages			Land acquired for the purpose of relocating the property of others is initially acquired by the Government and is subsequently transferred to the owners of the property which requires relocation. In exchange, title to the land upon which the property to be relocated is situated is transferred to the Government. Consequently, the purchase price of the land acquired for the relocation substantially reflects the unrecorded purchase price of the fee-owned land ultimately acquired by the Government as a result of the exchange. The purchase price of fee-land acquired for the relocation should therefore not be amortized. All other costs incurred in connection with relocations represent intangible plant cost to be amortized over the project life.
				a. Fee Land (Payments to Owners)	-	None	
				b. Easements, Lesser Interests, Resettlements and Damages	100	None	
				c. Land Acquisition Expense	100	None	
				2. Construction Cost, including payments for relocations by owners	100	None	
03	332			<u>RESERVOIRS</u>			
				1. Basic Features, excluding other principal items listed	100	Complete Item, including sub-items a-d	
				a. Trash Removal Equipment		Independent system, complete	
				b. Power System		" " "	
				c. Lighting System		" " "	
				d. All components not listed elsewhere		None	
				2. Timber Structures	25	Complete Item, including sub-items a-c	
				a. Bulkheads		Each structure, complete	
				b. Retaining Walls		" " "	
				c. Docks, Piers, and Mooring Facilities		" " "	
				3. Floating Trash Booms, Complete	25	Each independent facility, complete	

ER 37-2-10
Change 46
24 Aug 81

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	PPC						
04.	-			<u>DAMS AND OTHER WATER COLLECTING FACILITIES</u>			
04.1 & 04.2	332		1.	<u>MAIN DAM & SPILLWAY</u> Basic Structure, excluding other principal Items	100	Complete structure, including sub-items a-m	
			a.	Non-overflow Structure, Complete, excluding applicable subitems c-o		Structure, complete	Includes outlet conduits, as applicable, when an integral part of the Non-overflow Structure.
			b.	Spillway Structure, Complete, excluding applicable subitems c-o		Structure, complete	Includes outlet conduits, as applicable, when an integral part of the Spillway Structure.
			c.	Crane, Complete (excluding Mobile and Crawler type)		Crane, complete	
			d.	Gate, Spillway		Gate, complete	
			e.	Machinery, Gate Hoist		Complete System for one gate	
			f.	Power System, excluding Power Boards and Engine Generator Sets 100-kw and over		Complete System	
			g.	Lighting System, excluding Lighting Board and attached Accessory Equipment		Complete System	
			h.	Lifting Beams		Complete Set of all Beams related to Main Dam	Includes lifting beams for outlets.
			i.	Stoplogs and Bulkheads		Complete Set for a particular system, such as for entire spillway	Includes stoplogs and bulkheads for outlets.
			j.	Compressed Air System, excluding Compressors 100 cfm and over		Complete System	
			k.	Water System		Complete System	
			l.	Sewer System		Complete System	
			m.	All components not listed elsewhere		None	
			n.	Gate, Outlet		Gate, complete	Applicable only when the outlet works (other than power intake works) are an integral part of the dam structure.
			o.	Machinery, Gate Operating, Outlet		Complete System for one gate	Applicable only when the outlet works (other than power intake works) are an integral part of the dam structure.
			2.	Elevator, Complete with Operating Mechanism, excluding embedded parts	40	Elevator, complete	
			3.	Engine Generator Set, 100-kw and over	40	Generator Set, complete	Standby power source.
			4.	Main Power and Lighting Boards, complete with attached Accessory Equipment	35	Board, complete	
			5.	Air Compressors, Complete, 100 cfm and over	25	Compressor, complete	Does not include unattached air receivers.
			6.	Floating Trash Boom, Complete	25	Each independent facility, complete	
			7.	Reserved			
			8.	Trash Racks	40	Complete Set for one Outlet	Applicable only when the outlet works (other than power intake works) are an integral part of the dam structure. Installed cost of removable portion of trash racks only should be included here.

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C & E	FPC						
04.3	332			<u>OUTLET WORKS (EXCLUSIVE OF POWER)</u>			
		1.		Basic Features, excluding other principal Items	100	Complete Item, including subitems a-n	
		a.		Steel Access Bridge		Bridge, complete	
		b.		Tunnels and Water Conduits		Tunnel or Conduit, complete	
		c.		Compressed Air System, excluding Compressors 100 cfm and over		Complete System	
		d.		Water System		Complete System	
		e.		Sewer System		Complete System	
		f.		Power System, excluding Power Board and Engine Generator Sets, 100-kw and over		Complete System	
		g.		Lighting System, excluding Lighting Board and attached Accessory Equipment		Complete System	
		h.		Stilling Basin		Complete facility	
		i.		Stoplogs and Bulkheads		Complete Set for all Outlets	
		j.		Gate		Gate, complete	
		k.		Machinery, Gate Operating		Complete System for one gate	
		l.		Crane, Complete (excluding Mobile and Crawler types)		Crane, complete	
		m.		Lifting Beams		Complete Set of all Beams related to Outlet Works	
		n.		All components not listed elsewhere		None	Including applicable portion of the mass concrete structure.
		2.		Elevator, Complete with Operating Mechanism excluding embedded parts	40	Elevator, complete	
		3.		Engine Generator Sets 100-kw or over	40	Generator Set, complete	
		4.		Trash Racks	40	Complete set for one Outlet	Installed cost of removable portion of trash racks only should be included here. *
		5.		Power and Lighting Boards, complete with attached Accessories	35	Board, complete	
		6.		Air Compressor, complete, 100 cfm or over	25	Compressor, complete	Does not include unattached air receivers.
		7.		Timber Access Bridge	25	Bridge, complete	
		8.		Roof coverings, 3,000 sq. ft. and over	20	Complete roof covering for one building or structure.	

8-I-131

626

BEST COPY AVAILABLE

BEST COPY AVAILABLE

ER 37-2-10
Change 46
24 Aug 81

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
04.4	332			<u>POWER INTAKE WORKS</u>			
		1.		Basic Features, excluding other principal Items	100	Complete Item, including sub-items a-p	
		a.		Steel Access Bridge		Bridge, complete	
		b.		Tunnels and Water Conduits		Tunnel or Conduit, complete	
		c.		Surge Tanks		Tank, complete	
		d.		Penstocks		Penstock, complete	
		e.		Gates		Gate, complete	
		f.		Machinery, Gate Operating		Complete System for one Gate	
		g.		Cranes, complete (excluding Mobile and Crawler types)		Crane, complete	
		h.		Stoplogs and Bulkheads		Complete Set for all Intakes	
		i.		Lifting Beams		Complete Set for all beams related to Power Intakes	
		j.		Flumes, Concrete or Steel		Complete System	
		k.		Lighting System, excluding Lighting Boards and attached Accessory Equipment		Complete System	
		l.		Water System		Complete System	
		m.		Compressor Air System, excluding Compressors 100 cfm and over		Complete System	
		n.		Power System, excluding Power Boards and Engine Generator Sets 100-kw and over		Complete System	
		o.		Sewer System		Complete System	
		p.		All Components not listed elsewhere		None	Including applicable portion of the mass concrete structure.
		2.		Elevators, complete with Operating Mechanism, excluding embedded parts	40	Elevator, complete	
		3.		Engine Generator Sets 100-kw and over	40	Generator Set, complete	
		4.		Trash Racks	40	Complete Set for one Penstock	Installed cost of removable portion of trash racks only should be included here.
		5.		Main Power and Lighting Boards, complete Unit with attached Accessories	35	Board, complete	
		6.		Air Compressors, complete, 100 cfm and over	25	Compressor, complete	Does not include unattached air receivers.
		7.		Timber Flumes	25	Complete System	
		8.		Floating Trash Booms	25	Each independent facility, complete	
		9.		Roof Coverings, 3,000 sq. ft. and over	20	Complete roof covering for one building or structure	

Account Number	Principal Item	Sub Item	Plant Items	Serv. Life (Yrs)	Retirement Units	Remarks
04.5	332		<u>AUXILIARY DAMS</u> Use same property items as prescribed for Account 04.1 - MAIN DAMS, as applicable.		Same retirement items as prescribed for Acct. 04.1 - MAIN DAMS, as applicable.	
04.6	332		<u>MUNICIPAL AND INDUSTRIAL WATER DELIVERY FACILITIES</u> Use same property items as prescribed for acct. 04.4- POWER INTAKE WORKS, as applicable.		Same retirement items as prescribed for acct. 04.4- POWER INTAKE WORKS, as applicable.	
05.	332		<u>LOCKS</u> Basic Features, excluding other principal items	50	Complete Item, including subitems a-o	
		a.	Structures, excluding Timber Structures		Structure, complete	
		b.	Gates		Mitre Gate, consisting of right and left Gate Leaves, complete; or Gate complete for other type	
		c.	Machinery, Gate Operating		Complete System for one Gate	
		d.	Control Houses, separate from Lock Structure		Control House, complete	
		e.	Operating Buildings, Concrete (excluding replaceable roofs 3,000 sq. ft. and over)		Building, complete	
		f.	Water System		Complete System	
		g.	Sewer System		Complete System	
		h.	Heating and/or Ventilating System		Complete System	
		i.	Filling and Emptying Valves and Operating Equipment		Complete System	
		j.	Lighting System excluding Lighting Boards and attached Accessory Equipment		Complete System	
		k.	Compressed Air System, excluding Compressors 100 cfm and over		Complete System	
		l.	Main Power System, excluding Power Boards and Engine Generator Sets 100-kw and over		Complete System	
		m.	Stoplogs and Bulkheads		Complete Set, for all Systems	
		n.	Cranes, complete, excluding Mobile and Crawler types		Crane, complete	
		o.	All Components not listed elsewhere		None	
		2.	Operating Buildings, other than Concrete, not part of Lock Structure, excluding Control Houses, excluding replaceable roofs 3,000 sq.ft. and over per building	50	Building, complete	
		3.	Radio towers, 80 feet and over	50	Tower, complete	
		4.	Elevators, complete, with Operating Mechanism, excluding embedded parts	40	Elevator, complete	

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
05.	332			<u>LOCKS (CONT'D)</u>			
		5.		Engine Generator Sets, 100-kw and over	40	Generator Set, complete	
		6.		Main Power, Lighting, and Control Boards, complete with attached Accessories	35	Board, complete	
		7.		Air Compressors, complete, 100 cfm and over	25	Compressor, complete	Does not include unattached air receivers.
		8.		Moorage and Lock Approach Structures, Guide Walls, Dolphins and other Guide Structures, timber	25	Structure, complete	
		a.		Mooring Dolphins and other Facilities for Temporary Moorage of Water-borne Traffic		Structure, complete	
		b.		Bulkheads and Retaining Walls		Structure, complete	
		9.		Roof Coverings, 3,000 sq. ft. and over per building	20	Complete Roof Covering for one building or structure	
		10.		Radio communications equipment, complete system at one location including transmitter, receiver, power supplies, auxiliary generators, batteries, cables, and antennas, but excluding land and improvements, buildings, and towers 80 feet and over	15	Complete system	Include all radio or microwave communication equipment provided exclusively for navigational communications. Buildings provided for communications exclusively should be included under Item 1e or 2, above, as applicable.
06.	(*)			<u>FISH AND WILDLIFE FACILITIES</u>			
		1.		Fishladders	100	Complete, including subitems a-e	
		a.		Structures, including Collection Channel and Training Walls		Independent Structure, complete	
		b.		Weirs		Complete System for one Fishladder	
		c.		Stoplogs		Complete Set for all Fishladders	
		d.		Valves, Gates and Operating Machinery		Complete System for one Fishladder	
		e.		Other Fishladder components not listed elsewhere		None	
		2.		Fish Elevators and Fishlocks, complete with Operating Mechanism, excluding embedded parts	50	Elevator or Lock, complete	

(*) May be either FPC Account 331 or 332

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
06.	(*)			<u>FISH AND WILDLIFE FACILITIES (CONT'D)</u>			
		3.		Fish Propagation Facilities not otherwise listed	100	Facility, complete	
		4.		Wildlife Preservation Facilities not otherwise listed	100	Facility, complete	
		5.		Buildings, Concrete, excluding replaceable roofs 3,000 sq. ft. and over per building	100	Building, complete	
		6.		Buildings, other than Concrete, complete, excluding replaceable roofs, 3,000 sq. ft. and over per building	50	Building, complete	
		7.		Fish Attraction Water Pumps and Motors under 250 hp	100	Complete Set of all pumps and motors	
		8.		Pump, Impeller, 1,500 hp and over	40	Impeller, complete	
		9.		Pump, Impeller, 250 - 1,499hp	30	Impeller, complete	
		10.		Pump Motor, Stator Winding, 1,500 hp and over	35	Stator Winding, complete (less Stator Iron)	
		11.		Pump Motor, Stator Winding, 250-1,499 hp	20	Stator Winding, complete (less Stator Iron)	
		12.		Pump Motor, Thrust Bearing, 1,500 hp and over	35	Thrust Bearing, complete	
		13.		Lighting System, excluding Lighting Boards and attached Accessory Equipment	100	Each Independent System, complete	
		14.		Main Power Systems, excluding Power Boards, Engine Generator Sets 100-kw and over and Transformers 1,000-kva or over	100	Each Independent System, complete	
		(*) May be either FPC Account 331 or 332					

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
06.	(*)			FISH AND WILDLIFE FACILITIES (CONT'D)			
		15.		Main Power, Lighting and Control Boards, complete with attached Accessories	35	Board, complete	
		16.		Transformers, Liquid-filled or Air or Gas insulated, 1,000-kva total or more in one or more phases not part of power board.	50	Transformer, complete	
		17.		Engine Generator Sets, 100-kw or over	40	Generator Set, complete	
		18.		Air Compressors, complete, 100 cfm and over	25	Compressor, complete	Does not include unattached air receivers
		19.		Roof Coverings, 3,000 sq ft or over per building	20	Complete roof covering for one building	
		20.		Trucks and Fish Transportation Tanks	10	Truck, complete; or Tank, complete including Refrigeration and Aeration Equipment, if applicable	
		21.		Fish Trapping Station, Concrete, complete	100	Station, complete	
		22.		Fish Trapping Station, Timber, complete	25	Station, complete	
		23.	As applic	Fingerling By-pass Channels, Systems and Equipment	xx	As applicable	There is extreme variation in the structural and mechanical features of the various types of by-pass facilities provided and recently constructed facilities consist of comparatively experimental innovations. Therefore proposed subunits, retirement units, and estimated service lives will be submitted to HQDA, (DAEN-ECF-C), WASH, DC 20314 for approval by each affected district. These systems are relatively experimental with extreme variation in physical features of various types of facilities provided. Therefore, proposed subunits and retirement units with service lives will be submitted to HQDA, (DAEN-ECF-C), WASH, DC 20314 for approval by affected districts.
		24.	As applic	Fish Attraction and Guidance System; Sonic, Mechanical, Visual, Electric and Electronic	xx	As applicable	

(*) May be either FPC Account 331 or 332

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
07.	-			<u>POWER PLANT</u>			
07.1	331			<u>POWERHOUSE</u>			
		1.		Basic Structure, excluding other principal Items	100	Complete Structure, including sub-items a-e	
		a.		Lighting Systems, excluding Boards and attached Accessory Equipment		System, complete	
		b.		Water Systems, Potable and Raw Water		System, complete	
		c.		Sewer Systems		System, complete	
		d.		Heating and Ventilating Systems		System, complete	
		e.		All Components not listed elsewhere		None	
		2		Intake Structure (when integral part of powerhouse)	100	Complete structure, including sub-items a-f	
		a.		Lifting Beams		Complete Set of all Intake Beams	
		b.		Intake Gates		Gate, complete	
		c.		Machinery, Gate Operating		Complete System for one Gate	
		d.		Stoplogs and Bulkheads		Complete Set for all Gates	
		e.		Crane, complete, excluding Mobile and Crawler types		Crane, complete	
		f.		All Components not listed elsewhere		None	
		3.		Elevators, complete with Operating Mechanism, excluding embedded parts	40	Elevator, complete	
*		4.		Trash Racks	40	Complete Set for one Generating Unit	Installed cost of the removable portion of trash racks only should be included here. *
		5.		Floating Trash Booms	25	Each independent facility, complete	
		6.		Roof Coverings, 3,000 sq ft and over	20	Roof Covering, complete for one Structure	

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
COLE	FPC						
07.2	333			<u>TURBINES AND GENERATORS (INCLUDING STATION SERVICE)</u>			
		1.		Turbines (excluding components listed separately in Items 4 thru 14, below)	100	Complete turbine, including sub-items a-f	
		a.		Wicket Gates		Complete Set for one unit	
		b.		Shaft, including Kaplan Blade Control Equipment not located in the hub		Shaft, complete for one unit	
		c.		Butterfly Valves		Complete Set for all units	
		d.		Pressure Regulators		Complete Set for all units	
		e.		Embedded Turbine Parts		Complete Set for one unit	
		f.		All Components not listed elsewhere		None	
		2.		Generators (excluding components listed separately in Items 4 thru 14, below)	100	Complete Generator, including sub-items a-d	
		a.		Stator, complete, excluding Winding		Stator, complete	
		b.		Shafts, including Thrust Collar		Shaft, complete	
		c.		Air Coolers and Piping furnished as part of Generator (Main units only)		System, complete for one unit	
		d.		All Components not listed elsewhere		None	
		3.		Governors (excluding components listed separately in Items 4 thru 14, below)	100	Governor, complete set	
		4.		Rotor Windings, complete	50	Winding, Complete Set for one unit	See additional instruction or next page
		5.		Turbine Runner, complete	40	Runner, complete	See additional instruction on next page
		6.		Governor Oil Pressure Pump, complete	40	Pump, or pumps, complete for one unit	See additional instruction on next page
		7.		Governor Ball Head	40	Complete Assembly for one unit	See additional instruction on next page
		8.		Permanent Magnet Generator	40	Complete Assembly for one unit	See additional instruction on next page
		9.		Generator Stator Windings	35	Complete winding for one Generator, installed	See additional instruction on next page
		10.		Thrust Bearings	35	Bearing, complete	See additional instruction on next page
		11.		Exciters, Main and Pilot, Direct-connected	35	Complete Assembly for one Generator	
		12.		Governor Air Compressors, 100 cfm and over	25	Complete Assembly	
		13.		Compressor, complete, primarily for draft tube water depression while condensing	25	Compressor, complete	Piping and separate air receivers should be included in item 1f, above
		14.		Speed increaser	40	Complete assembly for one generator	

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	PERCENT OF TOTAL COST OF TURBINE, GENERATOR, OR GOVERNOR			REMARKS
Code	FNC				NORMAL			
					FROM (%)	TO (%)	NOT TO EXCEED (%)	
07.2	333			TURBINES AND GENERATORS (INCLUDING STATION SERVICE)(CONT'D)				
				The allowable range of percentage of original cost of replacable components to the total original cost of generators, turbines, or governors are indicated below.				
		4		Rotor Winding	3	7	10	Rotor winding & insulation installed. Does not include pole iron.
		5		Turbine Runner - Francis	9	13	15	Runner less shaft.
		5		Turbine Runner-F.B.	9	13	15	Runner including hub and cone less shaft.
		5		Turbine Runner-Kaplan	17	22	25	Runner, cone, hub, and hub mechanism less shaft and servo mechanism not installed in hub.
		6		Gov. Oil Pressure Pumps	5	10	15	Pump and Motor only.
		7		Gov. Ball Head	0.5	1.0	2	The speed control assembly including the fly balls only
		8		PMG Assembly	2	3	5	The PMG including the drive assembly (Part of the governor)
		9		Stator Winding	12	16	20	The installed cost of the winding including the ties, wedges, and similar items and including the circuit rings but excluding the stator iron (a rewind unit will also include the cost of disassembly and re-assembly as applicable)
		10		Thrust Bearing	2	5	8	Includes only the shoes or segments and their supports and adjustment mechanism and the thrust runner.
		11		Exciters, Main & Pilot	2	5	8	The generator mounted exciters and pilot exciters only. Excitation cubicles containing voltage regulation rheostat, field breakers and miscellaneous controls as well as separately mounted motor generator sets should be included in principal item 9 of account 7.31.
		12		Governor Air Compressor	1	2	5	Only compressor units 100 cfm or larger should be included under this item.
NOTE: In using the above percentages the cost of the water depressing system or the speed increaser should not be included in the cost of the turbines, governors or generators.								

NOTE: In using the above percentages the cost of the water depressing system or the speed increaser should not be included in the cost of the turbines, governors or generators.

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
07.3	334			<u>POWERPLANT, ACCESSORY ELECTRICAL EQUIPMENT</u>			
			1.	Miscellaneous Equipment	100	Complete unit, including subitems a-f	
			a.	Generator, Neutral Grounding Equipment including Neutral Breakers		Complete System for all Generators	
			b.	Main Generator Bus or Cable System		Complete System for one Generator or Transformer	
			c.	Station Service Main Bus or Cable System		Complete System	
			d.	Annunciator System, excluding Switch-board mounted equipment		Complete System	
			e.	Grounding System, including Powerhouse Grounding Mat		Complete System	
			f.	All Components not listed elsewhere		None	
			2.	Transformer, Station Service, Liquid-filled or Air or Gas insulated 1,000 kva or more in one or more phases (excluding those installed as part of Station Service Power Boards)	50	Transformer, complete	
			3.	Antenna Towers, 80-feet and higher	50	Tower, complete	Include in this account when provided primarily for remote control of generating facilities.
			4.	Radio or Microwave Buildings	50	Building, complete	Include in this account when provided primarily for remote control of generating facilities
			5.	Main Generator Switchgear and Breakers, including Air Compressors when appli.	40	Breaker or Switchgear, complete with Accessories	Does not include station service Breakers which should be included under item 7 unless both generator and station service breakers are in the same switchgear.
			6.	Engine Generator Sets 100-kw and over	40	Generator Set, complete	Include here if used for general station service, otherwise include under the feature for which furnished.
			7.	Lighting and Power Boards for Station Service and Unit Auxiliaries, including Breakers, Transformers, and attached Accessories	35	Board, complete	

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
07.3	334			<u>POWERPLANT, ACCESSORY ELECTRICAL EQUIPMENT (CONT'D)</u>			
		8.		Control and Auxiliary Switchboards and Switchboards, including attached Accessories (excluding applicable items listed below).	35	Panel, or Panels, complete, devoted to a single purpose	
		9.		Voltage Regulation and Excitation Equipment including Motor-Generator Set, when required (Main generating units only)	35	Complete System for one Generator	Generally furnished as part of the main generator contract.
		10.		Battery Switchboard, including attached Accessories	35	Board, complete	Does not include separately mounted motor-generator sets.
		11.		Control Cable System	35	System, complete for Control Board, Panel, or Panels, devoted to a single purpose	
		12.		Load Control Equipment	25	System, complete for entire plant	
		13.		Recording Annunciators mounted separately from Switchboard	25	System, complete	
		14.		Data Logging Equipment mounted separately from Switchboard	25	System, complete	
		15.		Electronic Supervisory Control and Data handling equipment	15	System, complete	
		16.		Central Processor, electronic control installation	15	Processor, complete	
		17.		Radio, microwave, or carrier equip- ment, complete system at one location, including transmitter, receiver, power supplies, auxiliary generators, batteries, cables, and antennas, but excluding land and improvements, buildings, and towers 80 feet and over.	15	Each independent system complete	Include in this account when provided primarily for remote control of generating facilities.

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
07.3	334			POWERPLANT, ACCESSORY ELECTRICAL EQUIPMENT (CONT'D)			
		18.		Storage Battery, 125 volts and over	15	Battery, complete	
		19.		Automatic Recording Oscillographs	15	Oscillograph, complete	
07.4	335			MISCELLANEOUS POWER PLANT EQUIPMENT			
		1.		Miscellaneous Equipment not listed elsewhere	100	Complete unit, including subitems a-g	
		a.		Bridge or Gantry Cranes		Crane, complete	
		b.		Tailrace Cranes, complete, (excluding Mobile or Crawler types)		Crane, complete	
		c.		Lubricating oil system (excluding oil purifiers listed under item 4)		System Complete	Including piping, transfer pumps, storage tanks and all fixed equipment not listed elsewhere.
		d.		Drainage and Unwatering System, including Pumps		Each independent system, complete	
		e.		Fire Protection, High-pressure Water System, including Pumps		System, complete	
		f.		Station air system, excluding compressors 100 cfm and over		System, complete	
		g.		All components not listed elsewhere		None	
		2.		Antenna Tower, 80-feet and higher	50	Tower, complete	Include in this account when provided primarily for communications or data transmission in powerhouse operations
		3.		Radio or Microwave Equipment Bldgs	50	Building, complete	Include in this account when provided primarily for communications or data transmission in powerhouse operations
		4.		Oil Purifiers, Fixed or Portable, Centrifugal, vacuum or Clay Treatment type, 600 gph or over used for lubricating oil, hydraulic oil or lubricating and insulating oil	35	Purifier, complete	
		5.		Air Compressors, complete, 100 cfm or over	25	Compressor, complete	Does not include unattached air receivers
		6.		Plant Communication Equipment, including Telephone, Code Call, and Voice Recording Systems	25	Each independent system, complete	Include equipment installed in the power generating station for interplant communication in connection with power plant operation
		7.		Radio, microwave or carrier equipment, complete system at one location including transmitter, receiver, power supplies, auxiliary generators, batteries, cables and antennas, but excluding land and improvements, buildings and towers 80 feet and over.	15	Each independent system, complete	Include in this account when provided primarily for communications or data transmission in powerhouse operations.

8-I-142

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
07.				<u>POWERPLANT (CONT'D)</u>			
07.5	332			<u>TAILRACE</u>			
		1.		Tailrace, complete	100	Complete Tailrace, including sub-items a-b	Include draft tube bulkhead, stoplogs and other facilities used for draft tube unwatering.
		a.		Stoplogs and Bulkheads		Complete Set	
		b.		All other components		None	
07.6	331			<u>SWITCHYARD</u>			
		1.		Miscellaneous Structures and Equipment	100	Complete Item, including subitems a-i	Including piping, transfer pumps, storage tanks and all fixed equipment not listed elsewhere. See item 8 below for windings
		a.		Steel Structures, complete (excluding foundations)		Complete Switchyard Structural System	
		b.		Bus & Insulators, incl mounting hardware		Complete System	
		c.		Lighting System, excluding Boards and attached Accessory Equipment		System, complete	
		d.		Conduit, Steel, Power and Control		System, complete	
		e.		Insulating Oil storage and piping system (does not include oil purifiers listed under item 11)		System, complete	
		f.		Power Transformers, 69-kv and over, including Auto Transformers (excluding windings)		Transformer, complete, excluding windings	
		g.		Main Power Cable, 69 kv and over		System, complete for each transformer	
		h.		Grounding System, including Grounding Mat, if separate from Powerhouse Grounding Mat		System, complete	
		i.		All Components not listed elsewhere		None	
		2.		Reactors, Shunt or Series, 69-kv and over	50	Reactor, complete	
		3.		Lightning Arresters, 69-kv and over per phase	50	Complete three-phase Set	
		4.		Transformers, Instrument, 69-kv and over, PT and CT	45	Transformer, complete	
		5.		Transformers, Regulating	45	Transformer, complete	
		6.		Circuit Breakers, 69-kv and over	40	Breaker, complete	

BLANK PAGE

BLANK PAGE

BLANK PAGE

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C & E	FPC						
07.				<u>POWERPLANT (CONT'D)</u>			
07.6	331			<u>SWITCHYARD (CONT'D)</u>			
		7.		Disconnecting Switches, 69-kv and over	40	Switch, complete	
		8.		Windings, Power Transformer, 69-kv and over	35	Windings, complete for one Tank	The cost of the windings plus insulating cylinders and end insulation installed but excluding the core should ordinarily be between 40% and 50% of the total cost of the transformer and should not exceed 55%. (The cost of a replacement winding in a repaired transformer will not necessarily fall within these percentages.)
		9.		Coupling Capacitors, including auxiliary equipment	35	Coupling Capacitor, complete	
		10.		Carrier Current Line Traps	35	One unit for all Traps	
		11.		Oil Purifiers, Portable or Fixed, Centrifugal, Vacuum, or Clay Treatment Type, with or without Filter Press, 600 gph or over	35	Purifier, complete	
		12.		Control Cable Systems	35	System, complete	
		13.		Lighting and Power Boards, complete with attached Accessory Equipment	35	Board, complete	
08.	336			<u>ROADS, RAILROADS, AND BRIDGES</u>			
		1.		<u>Railroads</u>	100	Complete item, including subitems a-e	
		a.		Rails		Rails for complete System	
		b.		Ties and Ballast		Complete System	
		c.		Road Beds, Railroad, including Culverts		Complete System	
		d.		Bridges, Concrete, Steel, or Masonry		Bridge, complete	
		e.		All Components not listed elsewhere		None	
		2.		<u>Roads</u>	100	Complete item, including subitems a-d	
		a.		Roadway Base and Culverts		Base for each independent road	
		b.		Roadway Surfacing		Surfacing for each independent road	
		c.		Bridges, Steel, Concrete, or Masonry		Bridge, complete	
		d.		All Components not listed elsewhere		None	

8-I-144

639

BEST COPY AVAILABLE

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	PPC						
08.	336			<u>ROADS, RAILROADS, AND BRIDGES (CONT'D)</u>			
		3.		Bridges and Trestles, Railroad, Timber	40	Complete Structure	
		4.		Bridges, Roadway, Timber	25	Bridge, complete	
09.	332			<u>CHANNELS AND CANALS</u>			
		1.		Basic Features	100	Complete item, including subitems a-c	
		a.		Concrete Buildings, excluding replaceable Roof Coverings of 3,000 sq. ft. or over		Building, complete	
		b.		Other Concrete Structures		Structure, complete	
		c.		Other Components not listed elsewhere, including Excavated Channels and Canals		None	
		2.		Buildings, other than Concrete, excluding replaceable Roof Coverings of 3,000 sq. ft. or more per building	50	Building, complete	
		3.		Piers, Mooring Facilities, Bulkheads, Training Walls, Trash Booms; Timber	25	Independent Structure, complete	
		4.		Roof Coverings, 3,000 sq. ft. or more per building	20	Roof Covering, complete for one building or structure	
11.	332			<u>LEVEES AND FLOODWALLS</u>			
		1.		Basic Features	100	Complete item, including subitems a-c	
		a.		Roadways		Complete System	
		b.		Sewers, Drainage Facilities, and Outfalls		Independent System, complete	
		c.		Other Components not listed elsewhere		None	
13.	331			<u>PUMPING PLANTS</u>			
		1.		Basic Features	100	Complete item, including subitems a-c	
		a.		Concrete Buildings, excluding replaceable Roof Coverings of 3,000 sq. ft. and over per building		Building, complete	
		b.		Pumps and Prime Movers, excluding components listed in Items 2 thru 15, below		Complete Pump with Prime Mover	
		c.		Other Components not listed elsewhere		None	

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
Code	FPC						
13.	331			<u>PUMPING PLANTS (CONT'D)</u>			
		2.		Buildings, other than Concrete, excluding replaceable Roof Coverings of 3,000 sq. ft. or more per building	50	Building, complete	
		3.		Transformers, Liquid-filled or Air or Gas insulated, 1,000-kva or more, in one or more phases	50	Transformer, complete	
		4.		Engine Generator Sets, 100-kw or more	40	Generator Set, complete	
		5.		Lighting, Power and Control Boards, complete with attached Accessory Equipment	35	Board, complete	
		6.		Air Compressors, complete, 100 cfm and over	25	Compressor, complete	Does not include unattached air receivers.
		7.		Roof Coverings of 3,000 sq. ft. or more per building	20	Roof Covering, complete for one building or structure	
		8.		Pump Impeller, 1,500 hp or more	40	Impeller, complete	
		9.		Pump Impeller, 250-1,499 hp	30	Impeller, complete	
		10.		Pump Motor, Stator Winding, 1,500 hp or more	35	Stator Winding, complete for one motor	
		11.		Pump Motor, Stator Winding, 250-1,499 hp	20	Stator Winding, complete for one motor	
		12.		Pump Turbine Runner, 1,500 hp or more	40	Runner complete for one pump turbine	
		13.		Pump Turbine Runner, 250-1,499 hp	30	Runner complete for one pump turbine	
		14.		Pump Engine, 250 hp and above	40	Engine, complete	
		15.		Pump Engine, 100-249 hp	25	Engine, complete	

BEST COPY AVAILABLE

8-I-146

641

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
14.	331			<u>RECREATIONAL FACILITIES</u>			
		1.		Roads, excluding Timber Bridges	100	Complete item, including subitems a-d	
		a.		Roadway Base and Culverts		Base, complete for each independent road	
		b.		Surfacing		Surfacing, complete for each independent road	
		c.		Bridges; Steel, Concrete, or Masonry		Bridge, complete	
		d.		All Components not listed elsewhere		None	
		2.		Parking Areas	100	System complete for each development or site	
		3.		Other Recreation Developments, excluding components listed elsewhere	100	Complete item, including subitems a-c	
		a.		Electric System, Power and Lighting		System complete for each development or site	
		b.		Buildings, Concrete, excluding replaceable Roof Coverings of 3,000 sq. ft. or more per building		Building, complete	
		c.		Other Components not listed elsewhere		None	
		4.		Buildings, other than Concrete, excluding replaceable Roof Coverings of 3,000 sq. ft. or more per building	50	Building, complete	
		5.		Piers, Docks, Booms, and Bridges; Timber	25	Independent Structure, complete	
		6.		Roof Coverings, 3,000 sq. ft. or more per building	20	Roof Covering, complete for one building	
19.	331			<u>BUILDINGS, GROUNDS AND UTILITIES</u>			
		1.		Basic Features	100	Complete item, including subitems a-g	
		a.		Buildings, Concrete, excluding replaceable Roof Coverings of 3,000 sq. ft. or more		Building, complete	
		b.		Power Distribution and Exterior Lighting Systems		System complete, each system	

8-I-147

642

BEST COPY AVAILABLE

BEST COPY AVAILABLE

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
Col E	FPC						
19.	331			<u>BUILDINGS, GROUNDS, AND UTILITIES (CONT'D)</u>			
		1.		<u>Basic Features (Cont'd)</u>			
		c.		Water System		System, complete	
		d.		Sewer System and Drainage System		System, complete, each System	
		e.		Local Streets, Curbs and Sidewalks		System, complete, each System	
		f.		Docks, Piers, and mooring facilities; Concrete		Independent Structure, complete	
		g.		Other Components not listed elsewhere		None	
		2.		Personnel Housing	50	Building, complete	
		3.		Operational Buildings and Structures, other than Concrete, excluding replaceable Roof coverings of 3,000 sq ft or more	50	Building or Structure, complete	
		4.		Piers, Docks, and Mooring Facilities; Timber	25	Independent Structure, complete	
		5.		Roof Coverings, 3,000 sq ft or more	20	Roof Covering, complete for one building	
20.	335			<u>PERMANENT OPERATING EQUIPMENT</u>			
				<u>Floating Plant (See Chapter 7, ER 35-2-10 for definitions of Items 1 thru 12)</u>			
		1.		Dredges	50	Dredge, complete	
		2.		Tug Boats	25	Boat, complete	
		3.		Tenders	25	Tender, complete	
		4.		Drift Collectors	25	Vessel, complete	
		5.		Towboats	25	Boat, complete	
		6.		Patrol Boats	25	Boat, complete	
		7.		Snag Boats	25	Boat, complete	
		8.		Drill Boats or Barges and Jet-probing Barges	25	Boat or Barge, complete	
		9.		Derrickboats or Barges	25	Boat or Barge, complete	

8-I-148

BEST COPY AVAILABLE

643

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRIN CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
20.	335			PERMANENT OPERATING EQUIPMENT (CONT'D)			
				<u>Floating Plant (Cont'd)</u>			
		10.		Maneuver Boats	25	Boat, complete	
		11.		Barges, Mooring	25	Barge, complete	
		12.		Other Major Non-group Floating Plant	25	Boat, barge, vessel, or plant item, complete with all Accessory Equipment	
		13.		Miscellaneous Floating Plant, initial cost, new of \$1,000 or more per unit			
		a.		Barges, or Floating Work Platforms	25	Barge, or other item, complete	
		b.		Boat, Outboard, excluding Motors	20	Boat, complete	
		c.		Motors, Outboard	10	Motor, complete	
		14.		Other items not listed elsewhere	100		
				<u>Automotive Land Plant (Grouped for reporting purposes in accordance with APP I, Chapter 7, ER 35-2-10)</u>			
		1.		Station Wagons (passenger car chassis) Group C	7	Vehicle, complete	
		2.		Ambulances (light) - Group D	10	Vehicle, complete	
		3.		Ambulances (heavy) - Group D1	10	Vehicle, complete	
		4.		Trucks, 1/4-ton, 4x4 - Group E	7	Vehicle, complete	
		5.		Carryalls (including Station Wagons mounted on Truck Chassis) - Group E1	10	Vehicle, complete	
		6.		Trucks, Panel and Sedan Delivery - Group E2	7	Vehicle, complete	

*

ER 37-2-10
Change 23
21 Sep 73

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
20.	335			<u>PERMANENT OPERATING EQUIPMENT (CONT'D)</u>			
				<u>Automotive Land Plant (Cont'd)</u>			
		7.		Trucks, Pickup - Group F	7	Vehicle, complete	
		8.		Trucks, 3/4 - 1-Ton - Group G	7	Vehicle, complete	
		9.		Trucks and Truck Tractors, 1 1/2-Ton - Group H	8	Vehicle, complete	
		10.		Trucks and Truck Tractors, 2 1/2-Ton - Group I	8	Vehicle, complete	
		11.		Trucks and Truck Tractors, 3 - 4-Ton Group J	10	Vehicle, complete	
		12.		Trucks and Truck Tractors, 5 - 10-Ton Group K	10	Vehicle, complete	
		13.		Trucks and Truck Tractors, 11-Ton and over - Group L	12	Vehicle, complete	
		14.		Trucks, Wrecker - Group M	8	Vehicle, complete	
		15.		Fire Trucks - Group N	12	Vehicle, complete	
		16.		Trucks, Refuse - Group O	8	Vehicle, complete	
		17.		Trucks, Power Line and Telephone Construction and Maintenance - Group P	8	Vehicle, complete	
		18.		Snow Plows, Rotary - Group Q	12	Vehicle, complete	
		19.		Trucks, Drill Rig - Group R	8	Vehicle, complete	
		20.		Trucks, Mobile Crane - Group S	15	Vehicle, complete	
		21.		Trucks, Compressor or Welder Mounted - Group T	8	Vehicle, complete	

8-1-150

645

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
20.	335			PERMANENT OPERATING EQUIPMENT (CONT'D)			
				Automotive Land Plant (Cont'd)			
		22.		Trucks, Refrigerator - Group U	8	Vehicle, complete	
		23.		Trucks, Military Design, $\frac{1}{4}$ -Ton - Group V	7	Vehicle, complete	
		24.		Trucks, Military Design, $\frac{1}{2}$ - 1-Ton Group W	7	Vehicle, complete	
		25.		Trucks and Truck Tractors, Military Design, $1\frac{1}{2}$ -Ton - Group X	8	Vehicle, complete	
		26.		Trucks and Truck Tractors, Military Design, $2\frac{1}{2}$ -Ton - Group Y	8	Vehicle, complete	
		27.		Trucks and Truck Tractors, Military Design, 3 - 4-Ton - Group Z	10	Vehicle, complete	
		28.		Trucks and Truck Tractors, Military Design, 5 - 10-Ton - Group AA	10	Vehicle, complete	
		29.		Trucks and Truck Tractors, Military Design, 11-Ton and over - Group BB	12	Vehicle, complete	
		30.		Trucks, Military Design, Amphibious - Group CC	10	Vehicle, complete	
		31.		Motorcycles, and Scooters, All Types - Group DD	5	Vehicle, complete	
		32.		Trailers, $\frac{1}{4}$ -Ton - $2\frac{1}{2}$ -Ton, All Types - Group EE	20	Vehicle, complete	
		33.		Trailers and Semi-Trailers, 3 - 15-Ton, All Types - Group FF	20	Vehicle, complete	

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
20.	335			PERMANENT OPERATING EQUIPMENT (CONT'D)			
				Automotive Land Plant (Cont'd)			
		34.		Trailers and Semi-Trailers, 16 - 30-Ton, all types, Group GG	20	Vehicle, complete	
		35.		Trailers and Semi-Trailers, 30-Ton and Over, all types - Group HH	20	Vehicle, complete	
				Other Mobile Land Plant			
*		1.		Items not listed elsewhere, including items with initial cost, new, of less than \$1,000 per unit	100	None	
		2.		Locomotives and Railroad Cars	100	Locomotive or Car, complete	
*		3.		Tractors, Wheel-mounted, initial cost \$1,000 or more	12	Tractor, complete	
*		4.		Tractors, Crawler, including Bulldozers initial cost \$1,000 or more	15	Tractor, complete	
		5.		Cranes, Mobile	15		
		a.		Cranes, Wheel-mounted, excluding those classified as Automotive Equipment in accordance with APP I, Chapter 7, ER 35-2-10 - Group S		Crane, complete	
		b.		Cranes, Crawler type		Crane, complete	
*		6.		Earth-moving Equipment, initial cost, new, \$1,000 or more per unit	15		
		a.		Scraper-carriers, Self-propelled or Towed		Scraper or Scraper-Carrier, complete	
		b.		Rollers, Self-propelled or Towed		Roller, complete	
		c.		Back Hoes, excluding Back Hoe attachments for general purposes Tractors or Cranes		Back Hoe, complete	

8-I-152

647

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
Co/E	FPC						
20.	335			<u>PERMANENT OPERATING EQUIPMENT(Cont'd)</u>			
				<u>Other Mobile Land Plant (Cont'd)</u>			
		6.		<u>Earth-Moving Equipment, initial cost, new \$1,000 or more per unit (Cont'd)</u>			
			d.	Loaders, excluding loader attachments for general purpose Tractors		Loader, complete	
			e.	Ditchers, Trenchers, Excavators, and Backfillers, excluding attachments for other basic equipment		Ditcher, Trencher, Excavator, complete	
			f.	Graders, Self-propelled or Towed		Grader, complete	
		7.		Material-handling Equipment, initial cost, new, \$1,000 or more, per unit	20	Fork Lift, Material Carrier, complete	
		8.		Miscellaneous Equipment, initial cost, new, \$1,000 or more per unit	15	Street Sweeper, or other machine, complete	
				<u>Office Furniture and Equipment</u>			
		1.		<u>Furniture (Desks, Tables, Chairs, Lockers, Files, Map Cases, Bookcases, and Safes)</u>			
			a.	Miscellaneous Items, initial cost, new, less than \$300 per unit	100	None	
			b.	Safes, Special Equipment, etc., initial cost, new, \$300 or more per unit	20	Safe or other item, complete	
			c.	Operation and Maintenance Manuals	100	None	
		2.		<u>Equipment, such as Typewriters, Adding Machines, Calculators, Duplicating and Reproducing Machines, Key Punch Equipment, Electronic Calculators and Computers</u>			
			a.	Miscellaneous Equipment not listed elsewhere, including items initial cost, new, less than \$300 per unit	100	None	
			b.	Office Machines, such as Accounting Machines, Dictating Machines, Typewriters, Adding Machines, Key Punch and Electronic Mechanical Data Processors, Electro-Mechanical Calculators, initial cost, new, \$300 or more per unit.	15	Each machine, complete	

*

8-I-153

648 BEST COPY AVAILABLE

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C & E	FPC						
20.	335			<u>PERMAMENT OPERATING EQUIPMENT (CONT'D)</u>			
				Office Furniture and Equipment (Cont'd)			
		2.	c.	Electronic-calculators, computers, and related items	15	Calculator, computer, complete	
*			d.	Duplicating and Reproducing Machines, initial cost, new, \$300 or more per unit	15	Blueprint or print machine, complete	
				<u>Material-Handling Equipment</u>			
		1.		Miscellaneous Equipment not listed elsewhere, including items initial cost, new, less than \$1,000 per item (include shelving, storage bins, portable conveyors, dollies, and similar equipment)	100	None	
*							
		2.		Fixed-conveyor Systems (Mono-rail, Roller Type) initial cost, new, \$1,000 or more per system.	25	System, complete	
*							
		3.		Special Storage Racks, Bins, Ramps, Platforms, and similar equipment, independent of other Structures, initial cost, new, \$1,000 or more per unit	25	Rack, ramp, or other item, complete	
*							
				<u>Shop Tools and Equipment</u>			
		1.		Miscellaneous Fixed Shop Equipment not listed elsewhere, including items initial cost, new, less than \$1,000 per unit	100	None	
*							

ACCOUNT NUMBER		PRIN- CIPAL ITEM	SUB- ITEM	PLANT ITEMS	SERV. LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C & E	FPC						
20.	335			PERMANENT OPERATING EQUIPMENT (CONT'D)			
				<u>Shop Tools and Equipment (Cont'd)</u>			
		2.		Major Fixed Shop Equipment consisting of such items as lathes, shapers, drying ovens, Forges, pipe and sheet metal machines, table and band saws, initial cost, new, \$1,000 or more per unit	25	Each machine or device, complete	
*							
		3.		Miscellaneous Portable Shop Equipment and Tools not listed elsewhere, initial cost new, less than \$1,000 per unit	100	None	
*							
		1.		<u>Laboratory and Testing Equipment</u> Miscellaneous Equipment not listed elsewhere, including items initial cost, new, less than \$1,000 per unit	100	None	Include structures provided to house measuring and recording equipment such as hydrologic gaging stations; and other items such as fencing, stream gaging cableways, etc.
*							
		2.		Major Equipment, initial cost, new, \$1,000 or more per unit	20		
		a.		Electrical Test Instruments and Devices, Recording		Instrument or device, complete	
		b.		Electrical Test Instruments and Devices, Indicating		Instrument or device, complete	
		c.		Oscillographs and Oscilloscopes		Oscillograph or Oscilloscope, complete	
		d.		Other Electrical or Electronic Testing Devices		Instrument or device, complete	
		e.		Scientific Measuring and Recording Instruments and Devices, for example, Weather Recording Instruments, hydrologic Data and Gathering Devices		Instrument or device, complete	
		f.		Other equipment not listed elsewhere		Instrument or device, complete	

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
CODE	FPC						
20.	335			<u>PERMANENT OPERATING EQUIPMENT (CONT'D)</u>			
				<u>Portable Work Equipment and Tools</u>			
		1.		Miscellaneous Hand Tools, i.e., Shovels, Axes, Picks, Wrenches, Small Power Tools	100	None	
		2.		Portable Work Equipment not listed elsewhere, including items less than \$1,000 initial cost, new.	100	None	
		3.		Portable Work Equipment, initial cost, new, \$1,000 or more, including such items as Compressors, Welders, Portable Floodlighting Units, Ventilating Blowers and Ductwork, Powered Staging and Work Platforms, Pumps and similar items	20	Machine or device, complete	
				<u>Communication Equipment</u>			
		1.		Miscellaneous Equipment not listed elsewhere, such as mobile and portable radio equipment	100	None	
		2.		Radio, microwave, or carrier equipment, complete system at one location, including transmitter, receiver, power supplies, auxiliary generators, batteries, cables, and antennas, but excluding land and improvements, buildings, and towers 80 feet and over.	15	Independent System, complete	Include in this account when provided primarily for general project communications. Buildings provided to house communications equipment exclusively will be included in applicable items under Account 19
		3.		Telephone, Code Call, or Voice Recording Communication Systems	25	Independent System, complete	Include in this account when provided for general project communications
		4.		Antenna Towers, 80-feet and higher	50	Tower, complete	

8-I-156

651

BEST COPY AVAILABLE

ACCOUNT NUMBER		PRINCIPAL ITEM	SUB-ITEM	PLANT ITEMS	SERV LIFE (Yrs)	RETIREMENT UNITS	REMARKS
C of E	FPC						
20.	335			<u>PERMANENT OPERATING EQUIPMENT (CONT'D)</u>			
				<u>Communication Equipment (Cont'd)</u>			
		5.		Closed-Circuit TV System	15	Complete item, including subitems a-c	
		a.		Cameras, complete with local control equipment, excluding support towers		Camera, complete	
		b.		Remote Control Stations		Station, complete	
		c.		Intermediate Amplifier Equipment		Separate amplifier installation, complete	
		6.		Data Transmitting and Relay (Telemetry) Systems not listed elsewhere	15	Independent System, complete	
20.	335			<u>PERMANENT OPERATING EQUIPMENT</u>			
				<u>Audio-Visual Equipment</u>			
		1.		Miscellaneous equipment not listed elsewhere, including items initial cost, new, less than \$300.	100	None	
		2.		Automatic slide projectors, continuous type movie projectors, message repeaters and similar devices, original cost, new, of \$300 or over per unit for each self-contained device, or each combination of devices contained in a common cabinet. Excludes films, transparency, voice recordings and similar items.	15	Each self-contained device or combination of devices in a common cabinet	

CHAPTER 9

APPOINTMENT, RESPONSIBILITIES AND TREASURY
CHECK UTILIZATION PROCEDURES OF DISBURSING
OFFICERS AND DEPUTIES

<u>TOPIC</u>	<u>PARAGRAPH</u>
Authority to Disburse	9-1
Responsibilities of Disbursing Officers	9-2
Appointment of Disbursing Officers	9-3
Appointment of Certifying Officers	9-4
Transfer of Disbursing Duties	9-5
Appointment of Deputy Disbursing Officer	9-6
Designation of Recreational Fee Cashier	9-6.1
★	
Protecting Government Money	9-8
Applicability of Fiscal Instructions Issued by Higher Authorities	9-9
Payments in Excess of Appropriations Prohibited	9-10
Cash in Personal Possession	9-11
Verification of Cash and Collections	9-12
Imprest Funds	9-13
Sale or Exchange of Funds	9-14
Responsibility for Rendering Accounts	9-15
Preparation of Accounts - General	9-16
Requisition, Safekeeping and Transfer of Treasury Checks	9-17
Check Preparation and Accounting	9-18
Signing of Checks	9-19
Relief of Disbursing Officers	9-20
Irregularities in Disbursing Officer's Accounts	9-21

CHAPTER 9

APPOINTMENT, RESPONSIBILITIES AND TREASURY CHECK UTILIZATION PROCEDURES OF DISBURSING OFFICERS AND DEPUTIES

9-1. Authority to Disburse. The Chief of Engineers is charged with the disbursement of funds appropriated for Civil Works by a recurrent appropriation act provision, which, for the fiscal year concerned, constitutes a congressional directive to that end.

9-2. Responsibilities of Disbursing Officers. a. Except as provided below, the disbursing officer's responsibility for public funds intrusted to him is personal and absolute, and he is entitled to relief from responsibility only by properly accounting for the funds received or held by him. This responsibility includes, but is not limited to, collection, safekeeping and deposit of accounts receivable; the drawing of checks; the issuance of savings bonds; care and custody of blank checks, bonds and facsimile signature plates for mechanical check signing equipment. Amounts placed on checks must be visually checked with amounts payable shown on vouchers by or in the presence of the disbursing officer or deputy. A record of the last check signed should be personally maintained by the disbursing officer and/or his deputy. Disbursing officer should also have personal knowledge at all times as to the consecutive numbers of blank checks and savings bonds on hand.

b. The act "To fix the responsibilities of disbursing and certifying officers, and for other purposes," approved 29 December 1941 (55 Stat 375, 31 USC 82e), is not applicable to disbursing and certifying officers of the Corps of Engineers engaged on field work. Responsibilities of Certifying and Disbursing Officers excepted from the Act of December 29, 1941 are provided in 3 GAO 26.4 and 27.2.

c. The fact that public money is disbursed in obedience to a written order of a commanding officer (District Engineer) does not authorize the General Accounting Office to credit the disbursing officer for such expenditure if it was made in contravention of law (7 Comp. Dec. 268). If such an expenditure is disallowed, the officer who ordered the disbursement will be held responsible by the Chief of Engineers. If there exists any doubt as to the validity of the payment to be made, the disbursing officer (finance and accounting officer) should not be deterred from making a request for an advance decision of the Comptroller General in the absence of unquestionable Comptroller decisions as to the propriety of the payment. If any disbursement results in a disallowance, the disbursing officer or the head of the depart-

ment has the right to appeal to the Comptroller General for a review of the disallowance within one year from the date of same. The decision of the Comptroller General on such appeal is final upon the executive department (31 USC 74). Requests for advance decisions and appeals from disallowances will be submitted through the Chief of Engineers.

- d. Requirements for deposit of receipts will be observed as prescribed in 7 GAO, Section 12.

9-3 Appointment of Disbursing Officers.

a. Disbursing Officers for the Corps of Engineers will be civilians appointed by the commanding officer of the installation to which they are assigned. The civilian designated will also be the Finance and Accounting Officer (Chief, Finance and Accounting Branch).

- * b. Upon appointment of the Disbursing Officer, DAEN-RMF-A will be furnished information as follows:

- (1) Name of Disbursing Officer.
- (2) Effective date of appointment.
- (3) TFS Form 5583, Signature Card.
- (4) TFS Form 3023, Specimen Signatures.

The effective date will be fixed so that the TFS Forms 5583 and 6513 may be filed with the Treasury Department prior to commencement of disbursing.

c. The Disbursing Officer will, upon assuming duty at a station where a Disbursing Officer had been currently assigned, take over the total accountability of the predecessor and operate under the disbursing station symbol assigned to the station. Notification of the transfer of accountability will immediately be furnished HQDA (DAEN-RMF-A), WASH DC 20314. *

9-4 Appointment of Certifying Officers.

a. The Finance and Accounting Officer (Chief, Finance and Accounting Branch) is designated as the certifying officer with the responsibility and authority for certification of accuracy and entitlement with respect to payrolls, travel and commercial vouchers.

b. This certification authority will be redelegated by the Finance and Accounting Officer in writing to the Chief of Examination Section or the Chiefs of the applicable units of the Examination Section as the work-

load warrants. Certification in such cases will be made in the following form:

(Appropriate Certificate)
(Signature of individual delegated)
For JOHN DOE
Finance and Accounting Officer

9-5 Discontinuance of Disbursing Duties.

a. Transfer of Disbursing Duties. When a Disbursing Officer transfers his disbursing duties to a successor at a disbursing station, his successor will assume accountability for the balance in his predecessor's account. The Disbursing Officer being relieved will prepare a final Statement of Accountability, Standard Form 1219, and supporting statements and schedules, irrespective of the fact that the closing date may be other than the close of the calendar month. The Statement will be plainly marked "FINAL" in the blank space directly above the name line. The transfer of accountability will be accomplished by the use of a statement attached to the SF 1219 of the disbursing officer being relieved. The statement will read as follows:

I have received (date) by transfer from (name of Disbursing Officer being relieved) (total amount), an analysis of which is included in Sections 1B and C of attached SF 1219.

(Signature of Successor)

(Grade or Title)

The statement and copies thereof, properly signed, will be securely attached to the original and each copy of the statement of accountability. The Administrative Approval Certificate on the reverse of the Statement of Transaction, Standard Form 1220, will be accomplished by the District Comptroller or Chief, Finance and Accounting Branch, on all copies.

b. Discontinuance of Disbursing Operations. When a Disbursing Officer ceases to act and the disbursing operations at a disbursing station are discontinued, the Disbursing Officer will report the fact over his signature to the Chief of Engineers for transmission to the Treasurer of the United States, giving a description of the last check drawn. The Disbursing Officer will prepare a final Statement of Accountability, Standard Form 1219, and supporting statements and schedules, irrespective of the fact that the closing date may be other than the close of the calendar month. The statement will be plainly marked "FINAL" in the blank space directly above the name line. Special arrangements will be made with the depository to furnish immediate confirmation of all deposits.

ER 37-2-10
Change 29
30 May 75

Even though, due to extenuating circumstances, confirmed copies of certificates of deposits have not been received, the amounts thereon will be shown as "Confirmed" within the current accounting period, thus reflecting the accountable balance as zero. The Statement of Accountability will be submitted within 10 days after the last day of activity. All blank Treasury checks will be returned in accordance with para 9-17c.

9-6 Appointment of Deputy Disbursing Officer.

* a. Deputy Disbursing Officers for the Corps of Engineers will be civilians appointed by the Commanding Officer of the installation to which they are assigned. Disbursing Officers may recommend persons for such appointment. Deputy Disbursing Officers will make disbursements as an agent of the Disbursing Officer and discharge all other duties required according to law and regulation to be performed by such Disbursing Officer. Deputies may act on behalf of the principal whether or not such principal is present for duty. In the principal's absence, the deputy may continue to act for a period of time not to extend beyond the last day of the second month following that in which such absence begins. In cases of death, incapacity, or removal, the principal remains responsible for the acts of his deputy, unless otherwise relieved under provision of law. The deputy shall be subject for his official misconduct to all liabilities and penalties described by law in like cases for the Disbursing Officer for whom he acts as deputy.

b. Upon appointment of a Deputy Disbursing Officer, the Chief of Engineers, ATTN: DAEN-ECF-A, will be furnished notification of such appointment, accompanied by the completed TD Form 5483, Signature Card, and TD Form 6513, Specimen Signatures. The effective date of the appointment will be fixed so that the required signatures may be filed with the Treasury Department prior to commencement of disbursing duties. When it is considered that conditions justify the appointment of more than one deputy the above notification and TD Forms will be furnished for each appointee. The appointment of a Deputy Disbursing Officer may remain in effect so long as desired, or until a change of duty station of either the Disbursing Officer, or his deputy, or other valid reason for termination of the appointment.

c. When a Deputy Disbursing Officer ceases to act, the principal Disbursing Officer will at once report the fact over his signature to the Chief of Engineers, ATTN: DAEN-ECF-A, for his submission to the Treasury Department. Such report will include a description of the last check drawn by the deputy.

d. In the event of the death, incapacity, or separation from office of a Disbursing Officer, the accounts of such Disbursing Officer may be continued and payments made in his name by his Deputy Disbursing Officer for a period of time not to extend beyond the last day of the second month following the month in which such death, incapacity or separation occurs. The deputy will be legally liable and responsible for all payments and official acts during such period until a new Disbursing Officer

- * is appointed. If there is more than one deputy, the Commanding Officer of the installation will designate a deputy to disburse as principal in the name of the Disbursing Officer. Such accounts and payments shall be allowed, audited, and settled in the manner prescribed by law; and the checks signed in the name of the former Disbursing Officer shall be honored by the Treasurer of the United States, in the same manner as if the former Disbursing Officer had continued in office (Act 31 July 1953, 67 Stat 296, 31 USC 103b). The word "separation" as stated in the first sentence of this paragraph refers to separation for cause and should not be construed as separation due to transfer, retirement, or resignation.

9-6.1 Designation of Recreational Fee Cashier.

a. Individuals whose duties include receiving User fees, collected by Rangers, and who have custody of User Permits, except those receiving permits under hand receipt method (para 4-6b), will be designated "Recreational Fee Cashier" by the Division and District Engineers under procedures and conditions as follows:

(1) The designation will be in writing similar to the method used for appointing imprest fund cashiers.

(2) The Division and District Engineer will assure the provision of appropriate administrative supervision of the cashier function and will provide facilities and instructions for the safeguarding of permits and funds using the requirements for safeguarding imprest funds as a guide.

(3) Where the cashier requires cash for use by the Rangers, the Finance and Accounting Officer may advance the required amount upon written request from the official in charge of the activity. Advances and turn-ins of change funds will be documented on DD Form 1081.

(4) Cashiers are accountable and responsible to the Finance and Accounting Officer for the User fees and for the change funds received.

(5) Any shortage of funds for which the cashier is accountable will be reported in accordance with para 9-21.

b. Individuals may be designated by the Division and District Engineers as "Alternate Cashier" to serve as RFC in the absence of the principal under the procedures and conditions in subparas a(1) thru (5) above.

9-7. (Rescinded.)

*

9-8. Protecting Government Money.

a. A disbursing officer is at all times personally responsible for the safety of cash funds; and he will, upon his own initiative, take necessary steps to protect himself against loss by embezzlement, theft, fire and similar hazards.

b. The disbursing officer will be provided with at least a three-position dial-type combination safe that is fire resistant for a minimum period of two hours. The safe should be of sufficient size to accommodate the supply of blank checks and savings bonds in the custody of the disbursing officer as well as any cash in his safekeeping. The combination of the safe of the disbursing officer will be known only by such officer or his deputy. It will be placed in a sealed envelope, suitably marked so that its unauthorized opening may be detected, and delivered to the installa-

tion commander for safekeeping and use in the event of emergency.

9.9. Applicability of Fiscal Instructions Issued by Higher Authorities.

a. In the absence of specific instructions for compliance, fiscal regulations issued by the Department of the Army are not applicable to Civil Works activities until implemented by the Chief of Engineers.

b. Where instructions contained in publications issued by the General Accounting Office and Treasury Department are applicable to Civil Works activities and do not in themselves require further implementation, such instructions will be followed without awaiting further notice from the Chief of Engineers, unless, in the discretion of the Division or District Engineer, the applicability of such instructions to Civil Works should be questioned.

9-10. Payments in Excess of Appropriations Prohibited. No act of Congress will be construed to make appropriation out of the Treasury of the United States or to authorize the payment of money in excess of appropriation made by law, unless such act does in specific terms so declare (Act June 30, 1906, 31 U. S. C. 627).

9-11. Cash in Personal Possession.

a. Where the need exists, the Chief of Engineers will authorize * disbursing officers to keep cash on hand at their own risk. Where previous continuing authority at the station has not been received, disbursing officers may request it from DAEN-RMF-A. Cash is authorized to be held in the custody of cashiers outside the finance and accounting office for change funds and imprest funds. *

b. Applications, in letter form, requesting authority to hold cash on hand will:

- (1) state the maximum amount to be so held,
- (2) include a full explanation of the need for the authorization
- (3) describe the facilities available for safeguarding public funds, and
- (4) state the distance to the nearest depository.

c. As a general policy, disbursing officers of the Corps of Engineers will make all payments by checks drawn on the Treasurer of the United States. Only in those situations where the exigencies of the service demand it, will payments be made in cash and then only when authorization referred to in paragraph 9-11a above has been * received. However, when imprest fund or change fund cashiers are changed, the cash turned in to the disbursing officer by the previous cashier may be advanced to the new cashier as a cash payment. *

9-12. Verification of Cash and Collections. Cash on hand for disbursement, held in accordance with para. 9-11 above, and collections on hand will be verified in accordance with the procedures established in para 3-58, AR 37-103. When installations also have military funds, the above verification will be made simultaneously for both civil and military.

9-13. Imprest Funds.

a. Imprest funds will be established upon determination by the installation commander that the volume of small purchase activity is such as to effect a savings to the Government by the utilization of such a fund. For the purpose of uniformity with military accounting procedures, except as provided in paragraph 3-10, the provisions of AR 37-103-1 will be applied to the establishment and operation of imprest funds for small purchases from Civil Works appropriations, including pertinent procurement transactions normally financed by the Civil Works Revolving Fund.

b. Goods and services intended for military use may be paid from civil imprest funds pending reimbursement from military funds. This authority is not extended to purchasing nonexpendable items of military property.

c. In each case where a shortage of imprest funds is discovered, notification thereof will be made to the Chief of Engineers, DAEN-ECF-A, as required by paragraph 9-21.

d. Appointment of the same individual as both Imprest Fund Cashier and Authorized Collector should be avoided wherever practical. Authorization for such dual appointments deemed essential will be obtained from the Division Engineer or from the Chief of Engineers for separate installation and Division offices.

e. Instructions relative to the use and accounting for imprest funds are set forth in Chapter 3 of this regulation.

* f. The safekeeping of imprest funds contained in paragraphs 3-78 3-79, AR 37-103, will be followed as applicable. Moreover, the Finance and Accounting Officer will acknowledge the receipt of key(s) and/or combination(s) of safes by signing the transmittal document. The original will be filed in the finance and accounting office and the signed copy will be returned to the sender." *

9-14. Sale or Exchange of Funds.

a. No officer of the United States will either directly or indirectly sell or dispose of to any person, for a premium, any Treasury note, draft, warrant, or other public security not his private property, or sell or dispose of the proceeds of such note, draft, warrant, or security, in his hands for disbursement, without making return of such premium and accounting therefor by charging the same to his accounts to the credit of the United States; and any officer violating this section will be forthwith dismissed from office (31 U. S. C. 544).

b. A disbursing officer having cash funds in his possession will not exchange the same for any other disbursing officer's check on the Treasurer of the United States, private check, money order or commercial paper of any kind.

9-15. Responsibility for Rendering Accounts. All officers, agents or other persons who are charged with the safekeeping, transfer or disbursement of the public moneys will keep an accurate entry of each sum received and of each payment or transfer, and will render distinct accounts of the application thereof according to the appropriations under which the moneys have been advanced to them. Every officer or agent of the United States who, having received public money which he is not authorized to retain as salary, pay or emolument, fails to render his accounts for the same as provided by law will be deemed guilty of embezzlement and will be fined in a sum equal to the amount of the money embezzled and imprisoned not more than ten years (Act 25 June 1948, 62 Stat 683, 18 U.S.C. 643).

9-16. Preparation of Accounts - General. The Comptroller General has approved the forms to be used by disbursing officers in maintaining their accounts for audit. The use of the prescribed forms is mandatory upon disbursing officers of the Corps of Engineers engaged on civil works. Detailed instructions prescribing the forms and procedures to be followed will be contained in Chapter 21 of this manual.

9-17. Requisition, Safekeeping and Transfer of Treasury Checks.

a. Disbursing officers drawing checks on the Treasurer of the United States will use only blank checks ordered under contract entered into by the Treasurer of the United States. Orders (requisitions) will be prepared on Treasury Department Form TUS 3203, Purchase Order for * Blank Treasury Checks, in accordance with instructions thereon. Original and first carbon copy thereof will be mailed directly to: Payment Reconciliation Section, Division of Government Accounts and Reports, Bureau of Government Financial Operations, Treasury Annex No. 1, ATTN: GAO Building, Washington, DC 20226, to whom all correspondence relating thereto should be addressed. At least two months, plus time for delivery, should be allowed for printing checks after receipt of the order by the Treasurer of the United States. An additional two weeks should be allowed when a change in the check form is requested. Proofs of checks will be forwarded directly to the disbursing officer for approval and approved copy will be returned directly to the Treasurer of the United States. Payments will be made directly to the contractor by each ordering office. Items 8 and 16 of Form TUS 3203 will be filled in accordingly. See "Treasurer's Memorandum No. 2 (Revised), 29 June 1961," as amended, for details. *

b. Disbursing officers will protect blank checks to the utmost against loss or theft. Blank checks should be kept under lock and key in the disbursing officer's safe and should be accessible only to the disbursing officer or to employees to whom this responsibility has been * especially delegated by the disbursing officer. The disbursing officer will notify the Payment Reconciliation Section, Division of Government Accounts and Reports, Bureau of Government Financial Operations, Treasury Annex No. 1, ATTN: GAO Building, Washington, DC 20226, and the nearest office of the United States Secret Service by telephone, telegraph, radio or the most rapid means of communication available to him, immediately upon discovery of the loss or theft of blank checks, and the notice will include the symbol and the serial numbers involved. The same information will be furnished to the General Accounting Office by letter.

*

9-9

9-15

c. When a disbursing officer is succeeded by another, the disbursing officer being relieved will transfer his unused checks to his successor. The disbursing officer who transfers checks and the disbursing officer who receives the checks will advise the office indicated below as soon as the transfer is accomplished. The advice will be furnished by letter prepared in quadruplicate and will be specific in detail with respect to serial numbers of checks, dates, disbursing station symbol number, number of blank checks on order as indicated on unfilled requisitions. The letter will contain the names and signatures of both the transferor and transferee. Copies will be distributed as follows:

- * Original and duplicate: Payment Reconciliation Section
Division of Government Accounts and Reports
Bureau of Government Financial Operations
Treasury Annex No. 1, ATTN: GAO Building
Washington, DC 20226 *

Third and fourth copies: Retained by transferor and transferee

- * If a disbursing station ceases operation or if a disbursing officer has on hand blank checks which cannot be used, the checks will be returned to the Mail Management Branch, Division of Facilities Management, Bureau of Government Financial Operations, Treasury Annex No. 1, Washington, DC 20226. A copy of the letter of transmittal returning the checks will be furnished the Payment Reconciliation Section, Division of Government Accounts and Reports, Bureau of Government Financial Operations, Treasury Annex No. 1, ATTN: GAO Building, Washington, DC 20226. The letter will fully describe the checks and give the reasons why they cannot be used. Since all card checks will have the station symbol number printed thereon and punched therein, they will not be transferred to another disbursing station or used over an account other than that of the original symbol. *

d. The authority to issue a substitute check to replace one lost, stolen, mutilated or destroyed and to prescribe the necessary rules and regulations for issuance of such checks is vested in the Secretary of the Treasury (R.S. 3646, as amended (31 U.S.C. 528)). Issuance of a substitute payroll check by the disbursing officer will be in accordance with Section IX, Chapter 4, AR 37-103. Upon receipt of a check which has been mutilated or defaced to an extent which renders it nonnegotiable, the disbursing officer may void or spoil such check in accordance with instructions contained in paragraph 9-18 of this manual and issue a new check provided:

(1) The check was issued under the same disbursing station symbol number or the preceding 5 digit symbol number.

(2) The claimant is the original payee.

(3) Any missing portions of the check are insufficient to form a claim against the United States.

9-18. Check Preparation and Accounting.

a. In connection with payroll checks, after signature by the disbursing officer, an individual not charged with payroll preparation, payroll accounting, timekeeping or timechecking duties will be assigned the responsibility by the District Engineer (and/or Division Engineer) to receive checks from the Disbursing Officer for distribution to employees. At activities remote from the paying office, a designated officer or employee who is completely divorced from timekeeping and timechecking duties will receive checks by mail and distribute them to employees. Checks may be mailed direct to the individual payees concerned as the occasion demands.

b. The provisions of 7 GAO 6000, GAO Manual for Guidance of Federal Agencies, are applicable to disbursing officers of the Corps of Engineers. Canceled checks should be scheduled on SF 1098, Schedule of Canceled Checks, in accordance with the regulations and entered on the Cash Receipts and Deposits Register using SF 1098 as a posting media.

c. Undeliverable checks will be handled in accordance with 7 GAO 6000. They will be marked "Not Negotiable" six months from date of issue or sooner as circumstances warrant. They will be scheduled on SF 1185 at the end of six months and deposited only with Federal Reserve Banks or Branches to the credit of the Treasurer of the United States. Such checks should not be included in deposits of other classes of collections. Pending availability of SF 1185, agencies will utilize SF 1098, Schedule of Canceled Checks. SF 1185 will be entered on the Cash Receipts and Deposits Register using the SF 1185 as a posting media. A copy of SF 1185 will be cross-referenced to the original transaction, given a current bureau voucher number, and added to the list of unpaid bureau vouchers maintained in accordance with par. 3-6b, to reestablish the accounts payable pending subsequent payment to the payee or other disposition.

9-19. Signing of Checks.

a. Checks will not be signed until they have been completely filled out to show name of payee, amount, etc. The use of mechanical check-signing machines is permitted where volume is 1,000 or more checks per month. Authority is delegated to installation

commanders to approve the use and purchase of such machines. It is the responsibility of the disbursing officer to see that machines to be used for applying facsimile signatures to checks have mechanical features that will assure the disbursing officer full protection against the unauthorized use of his facsimile signature and have counters that will provide him with an accurate record of the number of times the plate has been used.

b. The following conditions must be met before mechanical check signing machines may be used to sign checks:

(1) Upon request, the Chief of Engineers will furnish a sample of the border design that has been approved by the Secretary of the Treasury for use by disbursing officers of the Corps of Engineers. This design must enclose the facsimile signature and will contain the legends "Corps of Engineers" now printed in the lower right hand corner of the check and "Disbursing Officer." These legends will not be duplicated in the surface printing in the lower right corner of the check. This will be considered when ordering blank checks for use with a check-signing machine.

(2) Upon receipt of the approved border design, the plate will be ordered by the disbursing officer for use with the machine. The number "1" will be placed in the lower left corner of the border design of the first plate used by a disbursing officer. Additional plates bearing the same signature will continue in numerical sequence.

* (3) Twelve specimens of the facsimile signature produced by the machine will be furnished the Chief of Engineers, for approval of the Treasurer of the United States. These specimens will be on plain white paper about the size, weight and thickness of a Treasury check. Two of these specimens will be certified manually by the disbursing officer as follows:

"I certify that this is a true specimen of my official signature to be affixed by machine to checks drawn on the Treasurer of the United States under any symbol number now or hereafter assigned to me."

(Sign here the same as on the plate)

(4) No check will be signed by the machine until approval of the facsimile signature is received.

(5) A protective black ink especially prepared for use with certain types of check-signing equipment has been designated by the Treasury Department for use by the Department of the Army. This ink will be procured from the Government Printing Office. The name of the machine will be furnished when ordering the ink.

* (6) When a facsimile signature plate is no longer to be used by the disbursing officer, it will be returned to the Chief of Engineers, DAEN-ECF-A by registered mail for transmission to the Treasurer of the United States for destruction. The reason for its return will be stated.

(7) A deputy disbursing officer may use the facsimile signature plate of the principal disbursing officer. The original check will therefore bear no indication that the plate was used by the deputy. However, for the protection of all concerned, there must be a record maintained of each check signed by the deputy. This record may be made on the retained check copies.

(8) Where the check-signing machine is operated by an individual other than the disbursing officer or his deputy, the facsimile signatures should only be applied in the presence of the disbursing officer or his deputy.

9-20. Relief of Disbursing Officers.

a. Under the provisions of Section 1 of Public Law 365, 84th Congress, approved 11 August 1955, the Secretary of the Army has appointed the Chief of Engineers as his designee to make findings and recommendations to the Comptroller General of the United States in connection with deficiencies in official civil works disbursing accounts of disbursing officers or former disbursing officers.

b. Pursuant to the above, cases involving disallowances by the General Accounting Office which cannot be resolved by the actions of the certifying and/or disbursing officer, and where restitution cannot be forced from the parties who have been overpaid, will be reported to the Chief of Engineers as soon as practicable with a full report of the facts and circumstances necessary to a comprehensive understanding of the points involved in the disallowances, supported by copies of all the correspondence bearing on the case.

ER 37-2-10

Change 16

1 Jun 72

9-21. Irregularities in Disbursing Officer's Accounts. The provisions of Section VIII, Chapter 3, AR 37-103 will be applied in connection with Civil Disbursing Officer's accounts, except as follows:

- * a. References to OCF, FCUSA and FOUSA will be disregarded. All required reports will be submitted to DAEN-ECF-A.
- * b. Civil documentation, accounting and disbursing procedures will be followed, as applicable. The procedures for handling cash shortages and overages of \$50 or less do not apply.
- c. When an irregularity is discovered which results in a cash shortage in the disbursing officer's accounts, the amount of the shortage will be transferred to and separately identified in an appropriate subdivision of the Chart "D" account involved, pending relief from accountability or recovery of the loss.
- d. Upon notification by OCE that the Disbursing Officer has been relieved from accountability, the amount of the loss will be disbursed on a cash voucher, payable to "adjustments," supported by copy of document granting relief, and charged to appropriate expense or other accounts. The subaccount referred to in c above will be credited.
- e. Where the loss is recovered, either from an individual who admits responsibility for the loss, prior to relief of the disbursing officer, or from the disbursing officer in case relief is denied, the amount reflected in the subaccount referred to in c above will be transferred to the basic Chart "D" account. The recoupment will not be treated as a collection but as an adjustment of cash on hand.
- f. Where the loss is recovered from an individual after the disbursing officer has been relieved and the disbursement processed in accordance with d above, the collection will be processed as an appropriation refund crediting the expense or other accounts originally charged.
- g. Recoveries will be reported to OCE. Information for this report, outlined in AR 37-103, will be furnished either in the report of board proceedings or investigating officer's report, or by letter if recovery is made after either of those reports have been submitted.

9-22. Withholding of Federal Income Tax - Permanent Change of Station.

a. The withholding of federal income tax from payments made under civil functions funds to civilian employees as moving expense reimbursements or allowances in connection with permanent change of station will be deducted on the vouchers on which the expenses are paid and as provided in Section III, Chapter 14, AR 37-106. The amounts deducted for federal income tax will be credited to account 96F0101, Withheld Individual Income and F.I.C.A. Taxes.

ER 37-2-10
1 Apr 69

b. Employers Identification Number and necessary TD Forms 941 and W-2 should be obtained direct from the District Director of Internal Revenue Service.

CHAPTER 10

PAY AND ALLOWANCES OF SERVICE MEMBERS
PRIMARILY ASSIGNED TO RIVERS AND
HARBORS AND FLOOD CONTROL DUTIES

<u>TOPIC</u>	<u>PARAGRAPH</u>
General	10-1
Military Pay Voucher System	10-2
Financial Data Records	10-3
Military Pay Voucher	10-4
Reporting of Allotment	10-5
Federal Withholding and FICA Taxes, Deductions and Reporting	10-6
Payments to Service Members	10-7
Indebtedness	10-8
Servicemen's Group Life Insurance (SGLI)	10-9

1 Apr 69

CHAPTER 10

PAY AND ALLOWANCES OF SERVICE MEMBERS
PRIMARILY ASSIGNED TO RIVERS AND
HARBORS AND FLOOD CONTROL DUTIES10-1. General.

a. Pay and allowances of Service Members of the Corps of Engineers, engaged on river and harbors and flood control duties, will be processed in the manner prescribed by AR 37-104 except as provided herein.

b. Officers of the Corps of Engineers employed primarily on duty connected with non-military public works prosecuted under the direction of the Chief of Engineers, including river and harbor improvements, flood control, and other such works, will, while so employed, be paid their pay and allowances from the appropriations for the work or works upon which they are employed (33 U.S.C. 583a).

c. The term "work of river and harbor improvements" is to be construed strictly as including only such duties as pertain manifestly to the improvement of rivers and harbors and flood control work as covered by appropriation acts or other related legislation, and in case of doubt as to the character of the duty, each question will be submitted to the Chief of Engineers for decision.

d. If, during the period of an assignment to river and harbor work, the officer is detailed also for duty on military work which is estimated to consume less than a major portion of his entire time, the officer will be considered as employed primarily on river and harbor duty, and his full pay and allowances (including subsistence) for such time will be paid from civil funds.

e. Where an officer who is relieved from duty at one station where he is employed on civil functions activities and ordered to take station elsewhere for the performance of a similar duty delays appreciably for his own convenience before joining the new station, or where he is during the interim assigned by proper military authority to duty other than that of civil functions activities, during this intermediate period any such officer will be paid his pay and allowances, if otherwise

ER 37-2-10
Change 48
30 Dec 82

entitled to them, from the appropriation for the Pay of the Army, and not from any appropriation for civil functions activities (Comp. of Treas., 5 Dec 1911).

f. Except as otherwise prescribed in paragraph e above and in orders (letter, special, etc.), a service member who transfers from civil functions to the jurisdiction of another disbursing officer will be paid his pay and allowances by the losing disbursing officer up through the day prior to the (EDCSA) Effective Date of Change of Strength Accountability prescribed in the orders. Likewise, when a service member transfers to civil functions, payments will not be made from civil funds until the EDCSA date with exceptions as stated above.

g. Service members assigned to division and district offices, Waterways Experiment Station, Board of Engineers for Rivers and Harbors and Beach Erosion Board under the above provisions of law will be paid their pay and allowances, including subsistence allowances, by disbursing officers disbursing appropriations for the work upon which engaged. Disbursing officers so assigned will pay themselves.

h. Accounting for Company Grade Officers will be in accordance with paragraph 7-22j.

- * i. The pay and allowance cost of a military Reserve officer assigned to the Army Corps of Engineers for a Civil Works activity under authority of AR 135-200, para 2-8, or other authority can be funded by the applicable Corps of Engineers Civil Works appropriation. A request for assignment of a military Reserve officer must meet the requirements outlined in AR 135-200 and be addressed through DAEN-RMF-AA to RCPAC. Each request must include the civil function to be performed, the civil works fund cite that will be used to fund the action, and the appropriate mailing address for billing. The request does not constitute a request for reimbursable services, therefore, the DA Form 2544, Intra-Army Order for Reimbursable Services, or other forms used to request reimbursable services will not be used. The funding action creates an appropriation refund for the Reserve Personnel Army, RPA, appropriation. The authority to use a civil works appropriation to fund a military Reserve officer is in accordance with 33 U.S.C. Section 583 (a) as clarified by DACA-FP memorandum dated 20 May 1980. The Corps of Engineers is not authorized to fund military Reserve officers for military activities from USACE military appropriations.

10-2. Military Pay Voucher System.

Service member assigned to rivers and harbors or flood control duties will be paid under the Military Pay Voucher (MPV) System as prescribed in AR 37-104, except as follows:

- a. The distribution of MPV copies. (See paragraph 10-4)
- b. Reporting of allotment deductions. (See paragraph 10-5)
- c. Processing and reporting FICA and Income Tax Withholdings and Contributions. (See paragraph 10-6)

10-3. Financial Data Records.

The financial data records and other payroll files of members assigned to rivers and harbors or flood control duties may be maintained in the District Office or installation assigned or may be centralized in the Division Office or District Office designated by the Division Commander.

10-4. Military Pay Voucher.

- a. The Military Pay Voucher (DA Form 2139) will be prepared and processed in accordance with AR 37-104. However, due to the requirement of retaining the original vouchers for site audit by the General Accounting Office, Copy 3 of the MPV will be forwarded to the Control and Processing Division, Military Pay Operations, Finance Center, U. S. Army, Indianapolis, Indiana 46249. Copies of the MPV and related FWT and FICA checks, and ENG Form 2965 referred to in paragraph 10-6b will be submitted by single letter of transmittal.

b. Payment of the MPV may be accomplished by the Finance and Accounting Officer servicing the installation maintaining the financial data and other payroll records and files or where these records and files are maintained centrally the MPV may be forwarded for payment to the Finance and Accounting Officer servicing the office to which the member is assigned for duty.

10-5. Reporting of Allotment.

a. The provisions of Chapter 11, AR 37-104 will be used as a general guide.

b. DA Form 1341 will be used to start, stop and change Class B, B-1, F, D and N allotments. DA Forms 1341 will be transmitted by the Finance and Accounting Officer to Allotments and Deposits Operations, Finance Center, U. S. Army, Indianapolis, Indiana 46249 by means of a DD Form 379 (Transmittal letter for allotment forms). DA Form 1341 will be prepared by the service member in an original and three copies with distribution as follows:

Original - Allotments and Deposits Operations, FCUSA

Copy 1 - Service member's Financial Data Record
maintained by the Unit Personnel Officer

Copy 2 - To person maintaining service member's
201 file for inclusion in that file

Copy 3 - To service member

Both certifications on DD Form 379 will be executed by the disbursing officer. The form will be numbered serially starting with number "1" at the beginning of each fiscal year, using the disbursing officer's symbol number as a prefix. This number will also be placed in Item 23 of DA Form 1341. Preparation will be in an original and two copies with distribution as follows:

Original - Allotments and Deposits Operations, FCUSA

Copy 1 - Service member's Financial Data Record
maintained by the Unit Personnel Officer

Copy 2- To person maintaining service member's
201 file for inclusion in that file

1 Apr 69

c. Particular attention is called to paragraph 11-185, AR 37-104 wherein it is stated that when a service member is assigned to civil functions, no change in allotments is required. Likewise, no change is required when the service member transfers from civil functions.

d. Allotment deductions made from the pay and allowances of service members while being paid from civil funds will be scheduled monthly on ENG Form 684, Abstract of Allotment and Insurance Deduction and forwarded with check covering the total deductions to Allotments and Deposits Operations, Finance Center, U. S. Army, Indianapolis, Indiana 46249.

e. The ENG Form 684 will be prepared at the end of each month in a sufficient number to support the ENG Form 3005 with one copy, and to forward three copies with check to the Finance Center. The abstract will show full name, rank, serial number of each member; the amount of each class of allotment for each member; the totals of each class and the grand total of all classes of allotment; the D. O. Voucher Number on which the member was paid.

10-6. Federal Withholding and FICA Taxes, Deductions and Reporting.

a. Federal Income Withholding and FICA Taxes deducted from payments to service member and Government Contribution to FICA Tax will be administrated and recorded as prescribed in AR 37-104, except any portion that may refer to the deposit and remittance of such deductions and Government Contributions to the Director of Internal Revenue.

b. Monthly deduction for Federal Income Withholding Tax and Employer's and Employee's share of FICA tax will be scheduled on "Statement of Income Withholding, Employee's and Employer's Share of FICA Tax - Corps of Engineers Civil Function" ENG Form 2965 and forwarded with a check in the amount of the grand total of the statement to Control and Processing Division, Military Pay Operations, Finance Center, U.S. Army, Indianapolis, Ind. 46249 on or before the 10th of the month following. See Paragraph 10-4a.

10-7. Payments to Service Members.

a. Payments to service members paid from civil funds will be processed on the Military Pay Voucher DA Form 2139 as prescribed in AR 37-104, and scheduled on SF 1166. DA Form 2140 Military Pay Voucher Summary and Certification Sheet will not be used.

b. The MPV will be the source document for the preparation of the ENG Form 3005. The ENG Form 3005 will charge the appropriation with the net amount paid the member plus voucher deductions and employer's share of FICA tax.

c. The MPV's paid by an installation will be scheduled on a single SF 1166.

(1) The SF 1166 will reflect the civil appropriation chargeable for the total entitlement to member plus the Employer's share of FICA tax, and the deposit account credited with amounts withheld for Federal Withholding Tax, Employee's share of FICA tax and the Government's contribution to FICA tax. A copy of the SF 1166 will be used to document voucher deduction in lieu of SF 1096.

(2) The following are examples of payee to be shown on the MPV:

(a) First and Citizens National Bank
Alexandria, Virginia
to the credit of
Captain John A. Jones

(b) Major Everette E. Smith
If check is to be mailed the address may be shown

(3) Copy 4 of MPV will accompany check when forwarded direct to the service member. When check is mailed to a financial institution, copy 4 will be forwarded to the service member.

10-8 Indebtedness.

* a. Indebtedness, including overpayments and illegal payments pertaining to items of pay and allowances, and which are not timely refunded by cash, check or postal money order by the service member, will be collected by deductions on the military pay voucher in accordance with the basic regulations on this subject contained in Part Six, AR 37-104-3.

b. Procedures for collection of delinquent Federal income taxes are set forth in Part Six, AR 37-104-3.

10-9 (Rescinded.)

CHAPTER 11

PAYROLL AND LEAVE ACCOUNTING

<u>TOPIC</u>	<u>PARAGRAPH</u>
Introduction	11-1
Establishment and Operation of Central Payroll Offices	11-2
Timekeeping	11-3
Processing Payments to Employees	11-4
Notice of Levy	11-5
Bond and Payroll Controls	11-6
Retirement Accounts	11-7
Disposition of Employees' Deductions and Federal Contributions to Personnel Benefits Programs	11-8
Supplemental Rolls	11-9
Award Checks	11-10
Payroll Deductions	11-11
Distribution of Payroll and Award Checks, TD Forms W-2 and Bonds	11-12
Reports	11-13
Special Data	11-14
Maintenance of Leave Records	11-15
Pay of Floodfighting and Other Emergency Personnel	11-16

PAYROLL AND LEAVE ACCOUNTING**11-1. INTRODUCTION**

The basic policies governing the processing and accounting for payments to civilian personnel contained in AR 37-105 will be followed. Except for regulations pertaining to the operation of Central Payroll offices (see paragraph 11-2 below) the instructions, directives and regulations promulgated by the Department of the Army applicable to payroll accounting and the instructions in ER 35-1-1 will be followed. For actions required to be submitted to higher authority in accordance with AR 37-105, normal Corps of Engineers command channels of communication will apply.

11-2. Establishment and Operation of Central Payroll Offices.

a. The Division Engineer, Missouri River Division, has been designated to furnish central payroll and leave accounting services to all Corps of Engineers installations and activities except (1) the Mediterranean and Pacific Ocean Divisions and (2) those installations and activities furnished payroll services by other than the Corps of Engineers payroll servicing office. In this capacity, the Division Engineer, Missouri River Division is responsible for:

(1) The over-all coordination of payroll activities including establishment of assignments of serviced offices to a central payroll office, due dates of documents and pay lags.

(2) Recommending to Chief of Engineers policies and standardized operations and improvements.

(3) Referring to OCE differences that may arise between the various offices concerning payroll matters that cannot be mutually resolved.

(4) Allocation of employees paid to pay periods.

e. The actual processing of payrolls will be performed by central payroll offices located at the Omaha and Kansas City Engineer Districts with approximately one-half of the accounts assigned to each. These districts will be responsible for:

(1) Timely payment of all employees assigned to them for payroll accounting.

(2) Providing space and staff for the central payroll office and administrative and technical supervision of the staff.

(3) Providing automatic data processing support for the central payroll office. The Omaha District is assigned the responsibility for development and maintenance of the necessary computer programs for use by both offices.

- (4) Providing disbursing services including mailing of pay checks and savings bonds based on ENG Form 3898, 3899 and DA Form 1727.
- (5) Billing serviced offices for payroll office operating costs.
- (6) Preparation and maintenance of all pay and leave records and reports.
- (7) Reporting errors detected to the appropriate serviced office.
- (8) Determining that documents necessary to effect payment to employees have been received prior to effecting payment.
- (9) Cooperating fully with all serviced offices in accomplishing the primary mission of pay and leave accounting.
- (10) Answering all inquiries from serviced offices regarding pay and leave.
- (11) Furnishing leave report for management purposes (par 2-7, ER 35-1-1).
- (12) Processing tax levies served on the Disbursing Officer responsible for payment of the employee.
- (13) Performance of staff internal reviews of payroll activities of the Central Payroll Offices.
- (14) Furnishing serviced District Offices reports showing the value of annual leave balances required by paragraphs 6-11 and 22-1c(2).
- (15) Furnishing serviced offices data for Item 115 of DA Form 1346 RCS-CSGPA-549(R2).

C. The serviced installations are responsible for:

- (1) Furnishing to the appropriate central payroll office correct documents as required to support payment to employees, including severance pay entitlements and terminations thereof for former employees.
- (2) Assuring that prescribed procedures for time and attendance reporting are adhered to. This is a staff responsibility of each Finance and Accounting Officer.
- (3) Performing Internal Reviews of time and attendance reporting as required by ER 1175-1-1.

(4) Collecting lump sum leave refunds from employees reappointed prior to expiration of lump sum leave period.

(5) Collecting overpayments not recoverable by payroll deduction as requested by the payroll office and advising the payroll office when collection has been made.

(6) Collecting and depositing court fees.

(7) Cooperating with the appropriate central payroll office in effecting necessary corrections and other matters related to pay and leave.

(8) Interpreting and administering regulations relating to entitlement to pay and leave. This is a responsibility of each Civilian Personnel Officer.

(9) Furnishing written notification to the payroll office in case other than regular tours of duty are established. (CPR H2.2)

(10) Furnishing signed certification to the payroll office of entitlement to post differential for TDY employees. Certification should indicate TDY station, applicable percentage and effective dates. This is a responsibility of the Personnel Officer.

d. Biweekly pay periods will be established on a staggered basis whereby approximately 50% of the total number of employees serviced by each payroll office will be paid each week. A minimum of four work days will be allowed for the processing and preparation of payrolls in the payroll office. Pay lags will be not more than 12 calendar days following the close of the pay period (pay day included). Due to mailing delays, pay day may vary a day or two but checks will be mailed in sufficient time that they should reach employees within the allowable pay lag. In cases where checks are bulk mailed to serviced offices, delivery prior to the official pay day will be permitted at the discretion of the Commanding Officer.

e. The civilian personnel offices of all serviced installations and activities will transmit promptly to the appropriate central payroll office copies of all personnel action documents essential to maintenance of individual pay, leave and retirement records. Payroll copies of personnel actions must be mailed to the payroll office on the same date they are authenticated. Payment will not be processed during the current pay period for employees whose personnel action documents are received after noon on the Thursday preceding the end of the payroll period. Their pay will be deferred and included in the check covering the first full pay period following receipt of the documents.

f. The finance and accounting officer of a serviced installation will obtain from the civilian personnel officer for that installation a prompt notice of cancellation for separated employees entitled to severance pay.

g. Accounting procedures for financing of payrolls between serviced offices and central payroll offices are included in paragraph 4-12.

h. Cost and distribution of central payroll office expense will be handled as follows:

1 Apr 69

(1) In each of the payroll servicing offices (Kansas City and Omaha Districts) the cost of direct labor, travel, computer service, etc. will be accumulated in a Revolving Fund facility account (Account No. 456 Central Payroll Office).

(2) The total costs of the two central payroll offices will be billed at a standard rate to the offices serviced in proportion to the total number of employees serviced exclusive of those employees directly engaged in central payroll accounting activities.

(3) The standard rate will be established to recover from serviced offices the costs included in account 456 and applicable indirect support (overhead) costs. The portion of the costs for payroll, travel, computer service, etc., chargeable to other offices will be accounted for as sales in cost account 456 and the portion of indirect support will be reflected as sales in cost account 460.30. The serviced office will charge costs to pro-rata expense accounts 460.25, 439.25, or 444.25 as applicable. The portion of costs in account 456 applicable to the Kansas City and Omaha Districts and the Division Office, MRD, will be transferred to those accounts by joint cost credit.

(4) Bills covering central payroll office expense will be rendered at the end of each quarter, except that for the last quarter of each fiscal year an estimated bill will be rendered in sufficient time for inclusion in the current year accounts of the offices billed.

(5) Serviced offices will be notified by the Division Engineer, Missouri River Division of the unit cost per account processed by the payroll office from which they can determine the estimated amount to be billed annually for payroll and leave accounting services.

1. All payrolls will be paid initially from the Revolving Fund of the servicing district. Serviced offices operating under the Revolving Fund, Corps of Engineers will transfer funds to the servicing district in accordance with paragraph 4-12. Serviced offices not operating under the Revolving Fund will furnish appropriate funds availability for billing on SF 1090.

11-3. TIMEKEEPING.

Time and attendance reporting will be accomplished in accordance with ER 35-1-1.

11-4. Processing Payments to Employees.

a. The central payroll office will prepare and process bureau vouchers, ENG Forms 3005 for payrolls prepared, in accordance with Chapter 3 of this regulation.

1 Apr 69

b. Installations receiving payroll accounting services from a central payroll office will process ENG Form 3007 in the estimated amount of each payroll in accordance with para. 4-12b.

c. SF 1166 or DA Form 2449 may be used to summarize payrolls paid from civil funds.

d. The central payroll office will furnish each serviced office the amounts of gross earnings, government contributions, etc., on DA 2449 or SF 1166, in accordance with para 4-12c.

11-5. Notice of Levy.

Notices of Levy for delinquent federal income taxes must be served on the disbursing officer responsible for payment of the employee (AR 37-105). Therefore, Internal Revenue Agents attempting to serve levies on other than disbursing officers of the central payroll office will be advised of this fact and given the address of the applicable disbursing officer.

11-6. Bond and Payroll Controls.

One bond control will be maintained by the Payroll Certifying Officer to cover all payrolls of the payroll office. One payroll summary control will be maintained to cover all payments except for employees of the Air Force for which a separate control will be maintained.

11-7. Retirement Accounts.

a. Accounting. (1) Retirement deductions made by the central payroll offices will be credited to deposit fund account "96X3876, Civil Service Retirement and Disability Fund, Suspense, Corps of Engineers."

b. Maintenance of Accounts. (1) The basic regulations on this subject including Air Force requirements, are contained in Chapter 12, AR 37-105. Only one Civil Service Retirement Control, will be maintained.

(2) At the end of the year the amounts certified on the Civil Service Retirement Controls (Column "h" - Current Year Deductions Posted to SF 2806), will be in agreement with the amounts credited for salary deductions and collection during the year to accounts 870.31, Retirement Contributions - Current Year - Civil (Cr); and 870.33, Retirement Contributions - Current Year - Air Force (Cr). The sum of cumulative totals of SF 2806 reported in column "i" of all DA Forms 103 submitted by a certifying officer at the end of a year must also be in agreement with the balances contained in General Ledger Accounts 870.1 "Retirement and Disability Fund (Dr)" and 870.2 "Retirement Contributions - CSC Form 2806 (Cr)."

ML 37-2-10

Change 6

22 Dec 69

11-9. Disposition of Employees' Deductions and Federal Contributions to Personnel Benefits Programs.

Civil Funds. The amounts of deductions and contributions for the Civil Service Retirement and Disability Fund, the Employees Life Insurance Fund, and Employees Health Benefit Fund accumulated in the respective subdivisions of the General Ledger Account 861 (96X3876, 96X6424, and 96X6440), will be cleared each pay period. This will be done on the basis of SF 1049 charging accounts 96X3876, 96X6424, and 96X6440, prepared by the payroll certifying officer and transmitted to the disbursing officer for payment. The SF 1049 together with SF 2812, "Report of Withholdings and Contributions, Health Benefits, Group Life Insurance, and Civil Service Retirement", (RCS USCSC-1043), (January 1961), will be submitted with the last payroll for the period. A check in the amount of the SF 1049 together with SF 2812 will be forwarded on the same day the payroll checks are dated, if possible, but not later than the following second work day to the US Civil Service Commission, Bureau of Retirement and Insurance, Collection Section, Washington, D. C. The payroll office number shown on the SF 2812 is made up of eight digits; the first two digits "96" denote payrolls paid from civil funds; the second two digits will be "00"; and the last four digits will be the civil disbursing symbol number; (i.e., 96 00 5521 Omaha and 96 00 5541 Kansas City).

* 11-9. Supplemental Payrolls.

Supplemental payrolls are costly procedures and should be avoided except under extreme conditions where hardships would be imposed upon employees. The preparation of supplemental payrolls merely for the convenience of employees leaving or entering on duty (except as provided below) during or at the close of the pay period, or for the purpose of delaying or accelerating payments for tax advantages is not authorized. Requests for supplemental payrolls (except as provided below) will be honored only when extreme hardship cases, supported by a written request of the employee, have been justified and approved, in writing, to the appropriate central payroll office by a responsible official of the serviced office and all necessary documents (SF 50, W-4, T&A, etc.) are in the payroll office. However, many of the youths hired under the Federal Summer Employment Program for Youth, particularly "Summer Aids," will need money to tide them over until they receive their regular checks. It is Governmental policy established by CSC to alleviate the hardships to the extent practical through speeding up payment by putting these employees on supplemental payrolls until they can be worked into regular payrolls. Personnel Officers should advise employees hired under the Federal Summer Employment Program for Youth when their first regular paycheck will be received. Requests for expedited pay for these employees will not be considered an adjunct to their employment and will be made only when the need therefor is clearly indicated.

11-10. Award Checks.

For employees presently employed, the employing office will furnish two copies (one signed) of DA Forms 2441 or 1256 to the Central Payroll Office. One copy of the DA Form 2441 or 1256 will be returned with the payroll register (DA Form 2449) for cost accounting purposes. For employees who have been

separated, payment will be made by the employing installation. One copy of the paid voucher will be forwarded to the Central Payroll Office servicing the installation.

11-11. Payroll Deductions.

- * a. Bond Deductions. These deductions will be made as prescribed by AR 37-105. Employing offices will be responsible for advising their employees of the method for applying for bond deductions and other pertinent information.
- * b. Income Tax Withholdings. These withholdings will be made in accordance with AR 37-105 and current Internal Revenue Service regulations. Installations will be responsible for advising their employees of the regulations regarding federal and state tax deductions.
- c. Voluntary Allotments for Payment of Dues to Employee Organizations and Contributions to Charitable Organizations. Union dues and contributions will be deducted in accordance with instructions contained in Sections VI and VII of Chapter 10, AR 37-105.
- d. Miscellaneous Deductions. Other deductions such as for lost or damaged Government property, unrecovered travel advances, lump sum leave repayments, etc., will be made upon written request. Final clearance required by property regulations will not be furnished to the Central Payroll Office.

11-12. Distribution of Payroll and Award Checks, TD-Forms W-2 and Bonds.

- * a. Payroll Checks and Check Stubs. Distribution of payroll checks and check stubs will be made to the individuals' regular mailing address. Under this procedure, each employee must complete an ENG Form 3898, Request for Mailing--Paycheck, W-2, U. S. Savings Bond--and give it to the timekeeper for submission to the Central Payroll Office (CPO). Instructions for furnishing and changing permanent addresses are contained on the reverse of ENG Form 3898. Changes in permanent mailing addresses, e.g., change of residence or bank, should be made immediately by submitting a new ENG Form 3898 to the CPO. Temporary change of address for vacation or TDY periods can be accomplished by furnishing a completed ENG Form 3899, Check Mailing Request (Temporary), to the CPO. This form must be received in the CPO on or before the last workday of the pay period involved. Instructions are contained on the reverse of ENG Form 3899.

ER 37-2-10
Change 33
27 Apr 77

b. Mailing of Forms W-2. Forms W-2 for separated employees and Floodfighting and Other Emergency personnel will be individually mailed by the payroll office to the W-2 address shown on ENG Form 3898. Forms W-2 for other employees will be bulk mailed as soon as possible after the close of the pay year to field offices for distribution to employees. W-2's for Division, District and Headquarters employees will be bulk mailed to the Finance and Accounting Officer or Payroll Liaison Officer for distribution to employees. A Form W-2 address must be furnished for each employee on ENG Form 3898 even though bulk mailing is used.

c. Mailing of Bonds. All Series E Savings Bonds will be direct (individual) mailed to employees to the address shown on DA Form 1727, (Application, Change, Cancellation for U. S. Savings Bond Class A Pay Reservation). Bulk mailing of bonds is not authorized. Change of bond mailing address must be accomplished by submission of a new DA Form 1727 to the payroll office.

d. Non-Receipt or loss of Payroll Checks and Bonds.

* If a pay check is not received within a reasonable time of the normal delivery date, or is lost after receipt, the employee should complete DA Form 3037, Statement of Claimant Requesting Stoppage of Payment on Check (Chapter 4, AR 37-103) in triplicate, and forward the signed original and duplicate to the Disbursing Officer of the district operating the central payroll office, who will issue a substitute check. If a Savings Bond is not received within a reasonable time of normal delivery date, the employee should notify, in writing, the Disbursing Officer of the district operating the central payroll office.

e. Separations. Employees separating from an installation should be reminded to submit a change of address, if necessary, for their final checks, Savings Bonds, and TD Forms W-2.

11-13 Reports.

a. Geographic Distribution of Federal Payrolls (RCS USCSC - 1015).

(1) Preparation. This report will be prepared by each Corps of Engineers payroll office located in any of the 50 states, in the manner and form prescribed in Section I, Chapter 22, AR 37-105.

(2) Frequency and Due Date. The report will be prepared annually as of 31 December, and forwarded in triplicate to reach the Chief of Engineers, ATTN: ENGEC-FA, on or before 25 January of the succeeding year.

b. Payroll Report of Federal Civilian Employment (RCS DD - COMP)M) 710)

(1) This report will be prepared and submitted monthly by each Corps of Engineers payroll office located in any of the 50 States in accordance with Section VI, Chapter 22, AR 37-105.

(2) With regard to paragraph 22-76b(2), AR 37-105, subdivision of the "Army" category of employees will be made and reflected on three separate reports with applicable entries made in the block "Other Organizational Unit" as follows:

Army (CofEngrs - Military)
Army (CofEngrs - Civil Functions)
Army Civil Functions - Cemeterial Expenses

ER 37-2-10
Change 25
30 Jun 74

(3) To provide a basis for the payroll offices to break out the seven report items of "Army" payroll data into the above three sub-categories, each serviced District Office and the Waterways Experiment Station will furnish the payroll office estimated percentages representing distribution of the data. Such distribution will be based on estimated ultimate funding of personal services represented by the three sub-categories. Changes in those percentages as become necessary will be furnished the payroll office within three work days following the second pay period covered by the report (see par 22-75, AR 37-105).

11-14. Special Data. Available data, other than that required by AR 37-105, will be furnished by Payroll Offices upon receipt of properly executed DA Form 2544. Each request must contain a Reports Control Symbol number or a statement that the report is exempt as required by ER 335-1-1. Actual programming and computer costs, plus overhead, will be charged for any such data furnished.

11-15. Maintenance of Leave Records. See ER 35-1-1.

11-16. Pay of Floodfighting and Other Emergency Personnel. In order to facilitate the audit of payroll records and simplify the reporting of payroll data, existing Central Payroll procedures will be followed in the payment of floodfighting and other emergency personnel whenever feasible. When flood conditions exist and the District Engineer determines that utilization of the Central Payroll procedures are not feasible for payment of emergency personnel, payments may be made locally. When local payments are authorized, the following procedures will be used:

- * a. ENG Form 4342 Temporary Employment Application and Appointment Affidavits and Time and Attendance Reports will be retained by the paying office in support of payment vouchers.
- b. Individual earnings records will be completed by the paying office.
- c. Upon termination of the employment, the completed individual earnings record with copy of ENG Form 4342 will be transferred to the Central Payroll Office.
- d. The Central Payroll Office will issue the W-2 Forms and record information from the earnings cards for inclusion in payroll reports.
- e. Payments may be by cash or green check.
- f. There will be no withholdings for Taxes or FICA on these emergency employees.
- * g. A selective check of timekeeping and payroll computation will be made by audit personnel prior to payment. *

Chapter 12
Washington Aqueduct

<u>Topic</u>	<u>Paragraph</u>
Purpose and Scope	12-1
General	12-2
Accounting Procedures	12-3
General Ledger Accounts	12-4
Accounts Payable Procedures	12-5
Billing and Collection Procedures	12-6
Appropriation Accounting Procedures	12-7
Cost Accounting Principles and Policies	12-8
Fiscal Reporting	12-9
Responsibilities of Disbursing Officers	12-10
Project Cost (Subsidiary Ledger) Accounts	12-11

Chapter 12
Washington Aqueduct

12-1 Purpose and Scope. This chapter supplements the general procedures in this regulation to meet requirements peculiar to the Washington Aqueduct. This chapter provides instructions for the Baltimore District to meet the financial management needs of the Corps of Engineers and the District of Columbia Government.

12-2 General. The Washington Aqueduct provides potable water to the water systems of the District of Columbia, contiguous local communities and certain federal installations in adjacent areas. The construction, maintenance and operation of facilities associated with the collection, purification and transmission of this water supply is a Civil function of the Chief of Engineers. Collection of fees for water services in the District of Columbia is the responsibility of the D. C. Department of Sanitary Engineering. The Aqueduct is a component of the Washington, D. C. Water System. The budget for the aqueduct is included in the budget of the D. C. Government. Funds for the aqueduct are included in the amounts appropriated by the Congress out of the Water Fund of the District of Columbia.

12-3 Accounting Procedures. The policies, principles and procedures established generally for Civil Works activities will be observed for the Washington Aqueduct, wherever possible. Subject to clarifications contained herein, the detailed procedures in other Chapters applicable to general ledger accounts, accounts payable, accounts receivable, billing and collection, and fund accounting and control will govern.

12-4 General Ledgers. a. As supplemented in this Chapter, the following charts of accounts cited in Chapter 2 of this regulation will be maintained for recording financial transactions for the Washington Aqueduct:

- (1) Chart "B" - General, Special and Trust Fund Accounts
- (2) Chart "D" - Disbursing Officer Accounts
- (3) Chart "E" - Deposit Fund Accounts.

b. Supplement to Chart "B". The following additional accounts (with definitions as needed) apply to only the Washington Aqueduct:

- (1) Plant in Service

101.13 Washington Aqueduct. Subsidiary accounts are listed in para 12-11c.

(2) Current and Accrued Assets

111 Undisbursed Appropriations. This account will reflect the undisbursed balance of appropriations available to the Baltimore District Engineer for the Washington Aqueduct. A separate general ledger account will be maintained for each appropriation, fund or limitation.

120 Deferred and Other Undistributed Items - Washington Aqueduct. This account includes all costs incurred for operation and maintenance work other than applied costs included in account 171 Operations and Maintenance Expense and 107 Construction Work in Progress. Such costs include unapplied charges financed with project funds, including unapplied advances for accrued cost, undistributed job site labor, values of stocks of materials and supplies on hand, and unapplied payments to contractors. Separate general ledger accounts will be maintained for each appropriation title. Subsidiary cost account group is shown in para 12-11e(1)(b).

(3) Proprietary Interest of the U. S. Government

135.3 - Funds Creditable to District of Columbia Receipt Accounts (Dr):

135.31 Funds Held in Suspense. This account represents funds to be transferred to the credit of District of Columbia receipt accounts.

135.32 Funds Credited to District of Columbia Receipt Accounts. This account, maintained separately by fund symbol, represents the total funds credited to the District of Columbia receipt accounts.

(4) Current and Accrued Liabilities

145 Accrued Leave (Washington Aqueduct). This account represents the liability for annual leave due Washington Aqueduct employees. This account will be supported by subsidiary accounts 1-6931, 1-6932 and 1-6933 described in para 12-11e(1)(c)

c. Supplement to Pro-Forma Journal Entries, Chart B. The following pro-forma entries, referenced to similar entries for Chart B (para 2-22f) illustrate applications for the general ledger accounts (para b above):

(1) (a) Appropriation for Washington Aqueduct.

Dr: 111 Undisbursed Appropriations

Cr: 131.21 Unobligated Allotments

Posting Media: Journal Entry, ENG Form 3007 for the amount of the appropriation applicable to the Washington Aqueduct.

- (7) Accounts Payable.
Add to the accounts to be debited -
120 Deferred and Undistributed Items - Washington Aqueduct.
- (8) Bills Rendered.
Add to accounts to be credited -
120 Deferred and Undistributed Items - Washington Aqueduct.
- (9) Cash Collections Including Collections of Bills Rendered.
Add to the accounts to be debited -
111 Undisbursed Appropriations
135.31 Funds Held in Suspense.
- (11) Collections for Credit to District of Columbia Receipt Accounts.

Collection

Dr: 135.31 Funds Held in Suspense

Cr: 113.1 Accounts Receivable - Unavailable General,
Special and Trust Funds

Posting media: Journal Entry ENG Form 3007a, summarizing Cash
Receipts and Deposits Register (This Entry
will normally be included with Entry No. 9)

Deposit to Collector of Taxes
District of Columbia

Dr: 135.32 Funds Credited to District of Columbia Receipt
Accounts

Cr: 135.31 Funds Held in Suspense

Posting media: Journal Entry, ENG Form 3007, based on
accomplished copy of deposit coupon.

- (12) Disbursements for Vouchers and Claims Approved for Payment.

Dr: 141 Accounts Payable

Cr: 111 Undisbursed Appropriations

Posting media: Journal Entry, ENG Form 3007a, summarizing
Cash Disbursements Register

- (18) Distribution of Deferred and Other Distributive Items

Dr: 107 Construction Work in Progress

171 Operation and Maintenance Expense

Cr: 120 Deferred and Other Undistributed Items -
Washington Aqueduct

Posting media: Journal Entry ENG Form 3007.

ER 37-2-10
Change 22
29 Jun 73

(Additional) Initial Entry for Accrued Leave Liability.

Dr: 137.1 Results from Operations

Cr: 145 Accrued Leave (Washington Aqueduct)
(Subsidiary acct 1-693-Balance)

Posting Media: Journal Entry, ENG Form 3007 supported by computation of actual liability for annual leave as of end of last pay period in June 1966. Thereafter, annual adjustments will be made as indicated in following pro-forma entry.

(Additional) Annual Adjustment to Record Actual Value of Accrued Annual Leave.

Dr: 171 Operation and Maintenance Expense

Cr: 145 Accrued Leave (Washington Aqueduct)

Posting Media: Journal Entry, ENG Form 3007 supported by computation of actual liability for annual leave as of end of last pay period in June, in excess of balance in account 145. Reverse entry if actual liability is less than balance in account 145.

d. Supplement to Chart D. The following additional account and definition applies to only the Washington Aqueduct:

Current and Accrued Assets

811. General Checking. This account reflects the balance of the funded checking account to the credit of the Disbursing Officer in the U. S. Treasury. The account will be maintained to reflect confirmed deposits and checks issued monthly.

e. Supplement to Pro-Forma Entries, Chart D. Pro-forma entries (1), (6)(b), (6)(c) and (7) thru (10) for Chart D (para 2-24e) also apply to the Washington Aqueduct. The following pro-forma entries supplement para 2-24e and illustrate applications for the Washington Aqueduct:

(1) Transfer of funds from District of Columbia Disbursing Office:

Dr: 811 General Checking

Cr: 844.2 Collections

Posting media: Certificate of Deposit for Checking Account, SF 209

(2) Deposit of Collections to General Checking Account

Dr: 811 General Checking

Cr: 813 Collections Undeposited

Posting media: Monthly summary on Journal Entry, ENG Form 3007a, of Cash Receipts and Deposits Register

* 12-4d

12-4

(3) Disbursements from General Checking Account

Dr: 844.6 Gross Disbursements
Cr: 811 General Checking
844.2 Collections (by voucher deduction)
Posting media: Monthly summary on Journal Entry, ENG Form
3007a, of Cash Disbursements Register

(4) Establishment of Imprest Funds

Dr: 815 Cash with Imprest Fund Cashiers
Cr: 811 General Checking
Posting media: Monthly summary on Journal Entry, ENG
Form 3007a, of Cash Disbursements Register

(5) Special Deposits Returned to Depositor

Dr: 844.6 Gross Disbursements
Cr: 811 General Checking
Posting media: Monthly summary on Journal Entry, ENG Form
3007a, of Cash Disbursements Register

(6) Check Issued to Obtain Cash for Cash Disbursements

Dr: 812 C: on Hand - Cash Disbursements
Cr: 811 General Checking
Posting media: Monthly summary on Journal Entry, ENG Form
3007a, of Cash Disbursements Register

(7) Closing Entries

(a) To close General Ledger Account 844.6, Gross Disbursements

Dr: 844 Total Accountability
Cr: 844.6 Gross Disbursements
Posting media: Journal Entry ENG Form 3007

(b) To close General Ledger Account 844.2, Collections

Dr: 844.2 Collections
Cr: 844 Total Accountability
Posting media: Journal Entry, ENG Form 3007

12-5 Accounts Payable Procedures. See Chapter 3, this regulation.

12-6 Billing and Collection Procedures. See Chapter 4, this regulation.

a. Appropriation refunds will include adjustments for costs transferred between the Capital Outlay and the Operating Expense appropriations, covering items common to activities under both appropriations.

b. Appropriation receipts pertinent to Washington Aqueduct activities will be held temporarily in Deposit Fund Suspense Account, D. C., 99X6875. During the first week of each month the total appropriation receipts collected and held in the Deposit Fund Suspense Account during the preceding month will be transferred by check to:

MR 37-2-10
Change 25
30 Jun 74

Collector of Taxes, D. C.
Room 1140, Municipal Center
300 Indiana Avenue, NW
Washington, D. C.

c. Appropriation Reimbursements. See Chapter 5, this regulation.

12-7 Appropriation Accounting Procedures. Procedures contained in Chapter 5, this regulation, are applicable to Washington Aqueduct accounting, except as noted below:

a. The allotment ledger form is used to control the funds appropriated by the Congress in lieu of reflecting only the amounts of cash transferred by the District of Columbia disbursing officer. References to allotments or allotment ledgers in Chapters 2 and 5 are intended to mean appropriation or appropriation ledgers when applied to the Washington Aqueduct.

b. Funding.

(1) Funds are apportioned by the District of Columbia Government by quarters, by appropriations, based on the requirements of the District Engineer. Appropriation control is maintained by accumulating in the general ledgers the total of funds appropriated applicable to the Washington Aqueduct.

(2) Funds for disbursements are made available by transfers of cash in the accounts of the U. S. Treasury from the District of Columbia disbursing account to a funded checking account of Baltimore District. A separate checking account and separate Chart D general ledgers are maintained for the Washington Aqueduct.

(3) The appropriations used are: 99X9883 Capital Outlay, Water Fund, District of Columbia for acquisition and construction of plant, equipment and real estate; and, 99()9829 Operating Expense, Sanitary Engineering Water Fund, District of Columbia for operation and maintenance of plant and equipment and specifically authorized additions, improvements, or replacements of existing plant, properties and equipment.

c. Description and Operation of Appropriation Ledger.

(1) Ledger Form. An appropriation ledger will be maintained for each appropriation or fund. Appropriations, expenditures, obligations, liquidations of obligations, repayments, adjustments, and other transactions will be posted to the appropriation ledger from individual documents.

(2) Detail Posting.

(a) Funds Authorized - Enter amounts appropriated for the Washington Aqueduct.

(b) With the above exception pertinent to "Funds Authorized," postings for other transactions will be the same as prescribed for other civil works functions in Chapter 5.

12-8. Cost Accounting Principles and Policies.

a. General. The subsidiary accounts categorized herein will be maintained as prescribed in Chapter 8. Detail cost accounts will be established by the District Engineer as needed to meet his requirements for budgeting, programming, management and reporting. The subsidiary accounts are grouped according to operating programs of the Washington Aqueduct.

b. Labor Costs.

(1) Procedures for determining labor costs by the effective time method are prescribed in Chapter 6. Cost account 1-6930.- Accrued Leave (General Ledger 145) will be maintained to record the gross earnings, labor charges distributed and accrued leave adjustment.

(2) The value of unused accrued annual leave will be computed at the end of the last complete pay period in June. The actual monetary value of unused annual leave will be compared with the balance of GL 145, Accrued Leave. An adjusting entry will be recorded in GL 145 (Contra GL 171, Cost Account 1-4xxx) so that GL 145 will reflect the actual value of unused accrued annual leave. If the adjustment so signifies, the effective time labor cost rates to be used in the future will be recomputed to preclude continuance of the condition which caused the adjustment.

c. Imputed Costs. The system does not provide accounting for imputed costs such as depreciation of capitalized plant, equipment and property; amortization of the Government investment; nor for interest on the investment; as being unnecessary for rate-fixing determinations. The total of those factors plus actual operating costs of Washington Aqueduct represents only a portion of total production costs on which water rates are based. Lack of complete accounting for costs and related income makes it impracticable to measure the sufficiency of payout based only on Corps accounting. In lieu of accounting for such factors, the adequacy of rates are determined by analysis. Imputed costs are elements in this analysis.

d. Plant and Equipment Used on Reimbursable Work. When plant and equipment are used on work other than operation and maintenance, reimbursement will be made for all expenses, including a fair share of repair and maintenance costs. Amounts billed for plant and equipment operating cost will be computed using predetermined rates.

e. Lists of Property Units. In order to properly identify costs of repairs, additions and betterments to plant and equipment as being replacements of existing units on which retirement action is required, or as being a proper charge to operation and maintenance expense, a "List of Property Units" will be maintained showing major units of operating equipment or separable components thereof (costing \$1,000 or more per unit) and original (actual or estimated) cost of each. Costs identified as being for replacement of such listed units will be capitalized and the original cost of the units replaced will be transferred to GL Account 132, Abandoned and Retired Property. The list will be kept current by the addition of new items acquired and elimination of items retired.

12-9 Fiscal Reporting. Report on Budget Status - Obligation Basis, SF 133 and a trial balance is submitted monthly to the District of Columbia Government. Specific requirements for these submissions, and for submission of other reports to the District of Columbia Government are by arrangement between the District of Columbia Government and the Baltimore District. The system is sufficiently flexible to provide any necessary information required for reporting under programming and budgeting concepts and procedures.

12-10 Responsibilities of Disbursing Officers. Requirements governing the functions of Disbursing Officers of the Corps of Engineers are contained in Chapter 9. Since disbursing activities for the Washington Aqueduct include the use of a funded checking account, procedures in 7 GAO 7000 for submitting accountability statements will be observed.

12-11. Project Cost (Subsidiary Ledger) Accounts. The accounts and the procedures to be followed in maintaining cost accounts for Washington Aqueduct projects are described herein and in Chapter 8.

a. Capital and Expense Items.

(1) Construction, and operation and maintenance for this project are funded by "Capital Outlay," and "Operating Expenses" appropriations, respectively. Capital Outlay is appropriated by Congress to finance the construction of the original project and the authorized revisions and additions thereto. All work authorized and funded by the Capital Outlay appropriation will ultimately be a part of the Washington Aqueduct and authorized appurtenances and as such will normally represent a capital item, i.e. "Plant in Service."

(2) The distinction between capital and expense items under the Operating Expenses appropriation is a matter of analysis and not inherent or directly inferred in the title of the appropriation. Expenditures under this appropriation are generally classified as follows:

(a) Operating and Maintenance Expenses. All labor, materials and supplies consumed and incidental expenses incurred: for operating the various elements of the water system, shops and facilities essential to the daily functioning of the system, custodial and security expenses; for repair, overhaul, maintenance, and preventative maintenance work to sustain plant in service for the duration of its operating life; and for the removal, dismantlement, demolition, and salvage of plant, property and equipment retired from "Plant in Service."

(b) Additions, Improvements or Replacements of Existing Plant, Property or Equipment. These include expenditures from the Operating Expenses appropriation specifically budgeted, approved and appropriated for as follows:

1 Replacements. All costs incurred in the acquisition and installation, by construction or purchase, of new equipment, plant or property, as replacements for existing plant property and equipment scheduled for retirement.

2 Improvements and/or additions to existing plant, property or equipment to increase efficiency, capacity, production, or operating life.

3 The costs are chargeable to "Plant in Service" upon completion and are not classified as operating expense.

(3) Level of Property Unit. Determination of the level to which property units are to be identified, for actions outlined above, will be based on the detailed listing of identifiable elements of property (para 12-8e).

b. General Instructions.

(1) Cost accounts will be maintained by project, class or category of work under each appropriation structure in accordance with the uniform code of accounts prescribed herein. Cost accounts will be established within the uniform structure on the basis of programming documents and/or approved work order documents.

(2) Cost accounts are subsidiary to and controlled by applicable general ledger accounts as described in Chapter 2, Chart B, and para 12-4.

c. Plant in Service Accounts. Under this caption are included the cost accounts subsidiary to general ledger account 101.13 representing the book cost of plant in service described below:

<u>Account Number</u>	<u>Account Title and Description</u>
1. -	<u>COLLECTING SYSTEM:</u>
1.1	<u>Great Falls Dam and Intakes</u> Dam, flashboards, intake facilities and intake gate structures for both old and new conduits.
1.2	<u>Old Conduit</u> Old conduit and appurtenance including blow-offs, overflow weirs, manholes, shafts, site holes, bridges, tunnels and gate structure at Dalecarlia Forebay.
1.3	<u>New Conduit</u> New conduit and appurtenances including blow-offs, manholes, shafts, undercrossing, bridges, tunnels, overfall, syphon, interconnecting structures and gate structure at Dalecarlia Forebay.
1.4	<u>Dalecarlia Reservoir and Forebay.</u> Reservoir and facilities including banks, revetments, dam, spillways, blow-offs, interceptor ditches, tunnels, and by-conduit around reservoir.

- 1.5 Dalecarlia Booster Pumping Station
Pumping station structure complete with pumps, electrical and mechanical equipment, switchgear and switchgear structure and auxiliary equipment, and underground electric power line from Dalecarlia plant.
- 1.6 Little Falls Station
Pumping station structure complete with pumps, electrical and mechanical equipment, intakes, venturi meter, power line, substation and access bridge; Little Falls Dam and rising tunnel including outlet structure at Dalecarlia reservoir; Little Falls Fishway structure and appurtenances.
- 2.- PURIFICATION SYSTEM:
- 2.1- Dalecarlia Filter Plant
- 2.11 Intake and Raw Water Conduits: Intake structures complete with gates, traveling screens and appurtenances and raw-water conduits to chemical building.
- 2.12 Sedimentation Basins: Flocculation-sedimentation basin structures and appurtenances including flocculation equipment, cathodic protection equipment, gates, piping, blow-off drain, control chamber and all water passages from control chamber to the filter buildings.
- 2.13 Filters: Filters and all appurtenances including super-structure filter boxes, troughs, sweeps, filter media, under drains, all water passages and piping within the filter building, rate controllers, gages, wash-water reservoirs and piping between reservoirs and filter beds.
- 2.14 Chemical Building: Structures and all chemical treatment facilities including all water passages within the building, chemical storage, handling, mixing and feeding equipment, laboratories, control rooms, offices, and all electrical and mechanical equipment within the building.
- 2.15 Clear-Water Basins: Clear-water basins and appurtenances, water passages between chemical building and pumping station including venturi meters.
- 2.2- McMillan Filter Plant
- 2.21 Georgetown Conduit: Conduit and appurtenances from south connection screen building at Dalecarlia to influent gatehouse at Georgetown reservoir including Tainter gate, meter, manholes, overflow weir and blow-off.

- 2.22 Georgetown Reservoir: Reservoir, influent gatehouse, by-conduit, effluent (Castle) gatehouse, utility and gate structures, divide dams, blow-offs, and baffles. Does not include old valve vault (See Account 3.2).
- 2.23 City Tunnel and Appurtenances: Conduit from Castle gatehouse to West shaft, West shaft, tunnel, blow-offs, air shafts, dewatering stations, East shaft and superstructure.
- 2.24 McMillan Reservoir: Reservoir, circulating conduit, influent house, Smith Spring house, east and west interceptor city sanitary sewers, blow-off drain and meter house.
- 2.25 Pumping Stations. McMillan Pumping Station, complete with all mechanical and electrical equipment, intake screens and structure, 13.5 KV power and duct lines; East shaft pump, complete with all mechanical and electrical equipment including 13.5 KV substation and duct lines.
- 2.26 McMillan Filters: Riser mains, 29 filters, courts, regulator houses, collector mains, silos, utilities, sand wash system including portable sand washers and drainage system.
- 2.27 Chemical Building: Structure including all chemical storage facilities, handling, mixing and feeding equipment, offices and all electrical and mechanical appurtenances for above functions.
- 2.28 Clear-Water Basins: Influent and effluent gates, 14 M.G. and 20 M.G. basins, control chamber and pipeline between basins, and all superstructures located on the basins.
- 3.- TRANSMISSION SYSTEM:
- 3.1 Pumping Stations: All mechanical and electrical equipment in the station including motors, pumps, switchgear, transformers, power and duct lines from PEPCO lines into pumping station, supervisory system and building structures complete with utilities, including No 16 Pumping Station with structure and equipment.

- 3.2 Transmission Mains: Low, first, second and third high service mains from Dalecarlia pumping station to divide point of U.S.-D.C. jurisdiction and Georgetown valve vault. Low service mains from effluent gates of McMillan Clear-water basins to Bryant Street Station.
- 3.3 Distribution Reservoirs: First and second high reservoirs.
- 4.- JOINT FACILITIES:
- 4.1 Shop and Shelter Buildings, Equipment and Administrative Offices. Includes the garage; shelter houses; carpenter, machine, plumbing, electric, paint and heavy duty shops; and storeroom offices.
- 4.2 Central Heating Plants: Includes building, boilers and appurtenant equipment. Also includes boilers and appurtenant equipment located in headhouse.
- 4.3 Headhouse (Dalecarlia): Includes building, offices, and appurtenant equipment; excludes central heating plant 4.2.
- 4.4 Roads and Grounds: Self explanatory.
- 4.5 Hydro-Generating Station: Includes station structure complete with mechanical and electrical equipment, trash racks, penstock, surge tank, and power duct line to the hydro plant from the pumping station.
- 4.6- Operating Equipment: Automobiles, trucks, tractors, cranes, mowers, compressors, portable pumps, etc. (nonexpendable property).
- 4.61 Major Equipment (Items which cost \$1,000 or more per item).
- 4.62 Minor Equipment: Tools, office furniture and equipment (items which cost less than \$1,00 per item).
- 4.7 Warehouses: Self Explanatory.
- 4.8 Dwellings: Includes dwellings at Great Falls, MacArthur Boulevard, Little Falls Road and Dalecarlia Place.
- 4.9 Lands: (See Chapter 8, this regulation)

d. Construction Work in Progress (GL 107).

(1) The uniform feature, subfeature and cost account classification under the Capital Outlay appropriation consists of two general groups, i.e. (1) Permanent Features and (2) Distributive, Miscellaneous, and Reconciliation Accounts. Under permanent features are recorded the cost of all permanent construction features of the project and lands, damages and relocations required for completion of the project. The account numbers and descriptions in para c above also apply to features of construction work in progress. In addition, Engineering and Design (account 30) and Supervision and Administration (account 31) will be separate features during the construction period, and reported as separate line items on programming documents and cost reports. The costs of these two features will be distributed to other permanent features prior to transfer from "Construction Work in Progress" to "Plant in Service" (see Chap. 6). Subdivisions of account 4.9 Lands will be established as needed according to the structure shown in Chapter 8.

(2) Distributive, Miscellaneous, and Reconciliation Accounts. Chapter 8 provides instructions for cost accounts 36.- thru 52, 90, 91.- and 97.1. In addition, the following subsidiary account applies to Washington Aqueduct:

94.2 Funds Creditable to District of Columbia Receipt Accounts -
Corps of Engineers (Dr) (GL 113.1, 135.3-).

(3) Work Order Cost Accounts. The procedures for work orders are contained in Chapter 6 of this regulation.

e. Operating Expenses, Washington Aqueduct. Cost accounts under this appropriation will be maintained by groups as shown below. Accounts in series 1-1000, 1-2000, 1-3000, 1-4000, 1-5000, 1-7000 and reimbursable series 2-XXXX through 9-XXXX will be subdivided as needed to meet the budget, programming, reporting and management control requirements of the Washington Aqueduct. Accounts in series 1-60000 are subdivided as listed herein.

(1) Chart and Descriptions of Accounts.

(a) OPERATION AND MAINTENANCE (General Ledger 171).

Account
Number

Account Title and Description

1-1000 SERIES COLLECTION SYSTEM. All costs for the normal operation and maintenance of facilities used for collecting, storing and distributing raw water prior to any chemical treatment. The facilities are those included under collection system plant in service.

1-2000 SERIES PURIFICATION SYSTEM. All costs for the normal operation and maintenance of facilities for the purification of water from the point of initial chemical treatment to the point of clearwell exit. The facilities are those included under the purification system plant in service.

1-3000 SERIES TRANSMISSION SYSTEM. All costs for normal operation and maintenance of transmission system facilities. The facilities are those included under the transmission system plant in service.

1-4000 SERIES JOINT SERVICES AND FACILITIES. Costs not exclusively chargeable to collection, purification, or transmission; costs of future planning, engineering, administration, overhead, accrued leave variance, real estate administration, security, custodial and reproduction services, shops and joint use buildings, and other joint services.

(b) DEFERRED AND UNDISTRIBUTED ITEMS (GL 120).

1-5000 SERIES All costs incurred under the Operating Expense appropriation which have not been applied to other asset or expense accounts.

1 Apr 69

(c) MISCELLANEOUS ASSET, LIABILITY INCOME AND PROPRIETY ITEMS.

1-6350 Claims Receivable (GL 114). See Chapter 2, GL 114.

1-6801 Sale of Water (Cr) (GL 161). This account will be credited with revenue earned by Baltimore District from the sale of water from the Washington Aqueduct.

Credits to Operations for Quarters and Services (Cr) (GL 162).

1-6803 Electric Energy, Houses
1-6804 Quarters
1-6805 Other

1-6806 Nonoperating Income (Cr) (GL 163). This account will be credited with extraordinary income, such as income from the sale of property the book cost of which is transferred to GL 132.

1-6910 Transfer of Cost or Property (Net) (GL 133).
See Chapter 2, GL 133.

1-693- Accrued Leave (GL 145). The accounts under this caption include, for employees assigned to Washington Aqueduct, gross amounts of payrolls, refunds of lump sum leave payments, and credits for distribution of labor costs computed at effective time rates. These accounts will be maintained by columnar breakdown on Form 17A (Costs) in the following detail during the fiscal year:

1-6931 Gross Payrolls. This account will be charged with the gross amount of payrolls payable from Operation Expenses for personnel whose labor is distributed at effective time rates, and credited with refund of lump sum terminal leave payments received.

1-6932 Labor Charges. This account will be credited with the amount of all labor cost distributions for effective time.

1-6932 Accrued Leave Adjustment. For Washington Aqueduct employees, an inventory of unused accrued leave from leave records will be computed at the end of the last complete pay period in June. The actual monetary value of annual leave will be compared with the balance in GL 145 Accrued Leave. Any difference will be entered in account 1-6932 (GL 145) to reflect actual (inventory) value of accrued leave; contra entry will be made in "Leave Variance" account 1-4XXX.

Balance. To agree with GL 145, including balance brought forward from previous fiscal year.
12-11e(1) 16

1-6940 Funds Creditable to District of Columbia Receipt Accounts (Dr)
(GL 135.3 and 113.1). This account will be debited with the amount
of any income or earnings by the Washington Aqueduct applicable to
a receipt account of the District of Columbia.

1-6970 Results from Operations (GL 137.1). See Chapter 2, GL 137.1.

1-7000 Acquisition (GL 107). For additions, improvements and re-
placements, when financed with operating expense funds, to be
capitalized and transferred to "Plant in Service" upon completion
of the work.

2-0000 thru

9-0000 Work in Progress for Others - Refunds (GL 117.1). See Chapter 2,
GL 117.1.

2-0000 thru

9-0000 Work in Progress for Others - Appropriation Reimbursement Activity
(GL 117.2). See Chapter 2, GL 117.2.

(2) General Ledger Controls. (a) Operation and maintenance
expense accounts are controlled by general ledger account 171 during the
current fiscal year, and transferred to general ledger account 137.1, Results
from Operations, at the end of the fiscal year.

(b) Income and credits to operations accounts are
controlled by general ledger accounts 161, 162 and 163, and transferred to
general ledger account 137.1 at the end of the fiscal year.

(c) Acquisition accounts 1-7000 are controlled by
general ledger account 107 until the work is transferred to plant in service
accounts (GL 101.13) (para 12-11a(2)(b)).

CHAPTER 20

BUDGETARY AND FINANCIAL REPORTS
ON GENERAL, SPECIAL AND TRUST FUND ACTIVITIES

<u>TOPIC</u>	<u>PARAGRAPH</u>
* Report on Status of Appropriations and Work Allowances - Civil Activities, (RCS DAEN-RMF-9)	20-1
a. General	
b. Submission Requirements, ENG Form 3011a	
c. Submission Requirements, ENG Form 3011b	
Trial Balance of Accounts	20-2
a. Format	
b. Pre-closing Trial Balance	
c. Post-closing Trial Balance	
d. Submission Requirements	
* Report of Real and Personal Property Held - 30 September 19__ (RCS DAEN-RMF-11)	20-3
Trial Balance, Chart B Accounts - Civil Works Activities (RCS GAO-1001)	20-4
a. General	
b. Applicability	
c. Trial Balance	
d. Source Data	
e. Supporting Data	
Report on Obligations, SF 225 (RCS TREAS-1058)	20-5
Report on Costs of Roads and Bridges (RCS COMM-1027)	20-6
* (Reserved)	20-7
* Report of FY Costs for Natural Resource Management and Recreation Management (RCS DAEN-RMF-22)	20-8

TOPIC

- 707

CHAPTER 20

BUDGETARY AND FINANCIAL REPORTS ON GENERAL, SPECIAL AND TRUST FUND ACTIVITIES

* 20-1. Report on Status of Appropriations and Work Allowances - Civil Activities (RCS DAEN-RMF-9).

a. General.

(1) The Report on Status of Appropriations and Work Allowances - Civil Activities (ENG Forms 3011a and 3011b) is required monthly to furnish data on the status of all unexpired appropriation accounts, other than the Revolving Fund. It is basically a financial report of the budgetary allotment accounts at appropriation level with detailed obligation and accrued expenditure data for approved current year work allowances at category, class, and project level. Reports of Division offices will be prepared by the District offices having accounting responsibility thereof. The data submitted on this report will be reconcilable with the several Cost and Progress Summary reports submitted by each District office.

(2) Office of Management and Budget Circular A-34 (revised July 1976) prescribes submission of Report on Budget Execution (SF 133) monthly by appropriation. The Chief of Engineers will consolidate districts reports (ENG Form 3011a and 3011b) and will submit the SF 133 to the Office of Management and Budget.

* (3) Reports Control Symbol (RCS DAEN-RMF-9) is also applicable to the submission of Trial Balances of Accounts, described in paragraph 20-2.

(4) Letter of transmittal is not required for this report.

* (5) Due dates of reports described in Chapter 20. Reports will be submitted on a basis which will insure receipt in HQDA (DAEN-RMF-A) by the work day or calendar date specified in the applicable paragraph in this chapter. Work days are construed to be all weekdays (Monday to Friday), except those designed National holidays for U. S. Government employees. Where calendar dates fall on a Saturday, Sunday or legal holiday, reports will be submitted for receipt in HQDA (DAEN-RMF-A) on the morning of the work day immediately preceding the due date. *

b. Submission Requirements, ENG Form 3011a.

- * (1) Distribution. ENG Form 3011a will be addressed and distributed as follows: HQDA (DAEN-RMF-A) WASH DC 20314 1 set, plus 4 copies of section pertaining to appropriation 96-18X4020; HQDA (DAEN-RMB) WASH DC 20314 1 set; HQDA (DAEN-CWB-S) WASH DC 20314 2 sets; and HQDA (DAEN-CWP-A) WASH DC 20314 1 set. They will be submitted to reach Office, Chief of Engineers, WASH DC 20314 not later than the 12th calendar day after the close of the period covered by the report. September reports, certified as meeting the criteria of 31 USC 200(A), will be submitted in accordance with fiscal year closing instructions, and will reflect accounting transaction entries as of 30 September to accomplish adjustments to actual costs between projects and Revolving Fund, and proper billings for work performed. *

(2) Preparation Instructions. (a) General. ENG Form 3011a will be prepared from the applicable work allowance ledgers for category, class and project and from the allotment ledger for allotment and appropriation. Rivers and Harbors Contributed Funds (96X8862) will be reported by project under the categories as set forth in Appendix 2C -I. A separate report will be made for each appropriation. The report will be in the format of Illustration 20 /1 except that it will be double spaced to facilitate machine processing. All pages of each submittal will be numbered consecutively in one series and each page will show page number of so many pages.

(b) Column (a) Activity and Project Title.

1 Activities (project class titles) and projects, as appropriate, will be listed in this column by category, class and subclass code, utilizing the codes contained in Appendix 20-I, and by activity or project name. Identifying serial numbers for individual projects within a District will not be shown. However, each project title will be preceded by the numerical code representing the State in which such project is geographically located. Where a project is located in more than one State, the first State alphabetically will be shown. Minor completion items will be shown as prescribed in subparagraph 4 below. For certain classes of a general nature, i.e., Studies, Regulatory Functions, Investigations, etc., the code for the State in which the District is located will be indicated rather than codes for the States in which specific portions of the work are being performed. For example, the Activity and Project Title column on the report for appropriation 96X3122 would be as shown on Illustration 20/1. Data for Surveys, 96X3121, will be reflected against individual survey titles, listed in alphabetical order within classes or studies (i.e., Navigation, Flood Control, Beach Erosion Cooperative, Special and Comprehensive Basin.)

2 The data submitted on ENG Form 3011a by category, class and project reflects the status of approved current-year work allowances obtained from work allowance ledgers. The data at appropriation level reflects status of allotment issued at that level and is obtained from the allotment ledgers.

3 Totals (or subtotals) will be shown in columns (b) through (j) for each category, class and subclass code listed in column (a).

4 Minor completion accounts are established in accordance with paragraph 5-12 of this manual. They will be reported on

ENG Form 301 under Class or Sub-class as indicated in coding set out in Appendix 20-1. Under each such class or sub-class the minor completion item will be listed by individual project reflecting the State code as described in subparagraph 1 above.

5 Title space on the electric accounting machines now being used for tabulation purposes in the Office of the Chief of Engineers is limited to 28 spaces. Project names as reported on ENG Form 301 will be phrased to fall within such limits. Since the name of the State is shown by a numerical coding it need not be repeated in the project titles. Standard abbreviations will be eliminated unless this information is required to definitely identify the project.

6 In order that consolidated tabulations of the report may be completed by use of EAM equipment without additional manual coding in the Office of the Chief of Engineers, reports will indicate the code for the district or installation. Such coding will be inserted on all pages of the report in the space provided therefor on ENG Form 301 to the left of the block provided for the designation of the district.

7 Immediately below the lined totals for the appropriation, comparable totals applicable to "Appropriation Reimbursement Activity" will be listed in columns (b) through (j). Certain of these totals will be used in the reconciliation of Accrued Expenditures to Obligations to Net Disbursements as explained below. Following the line for Appropriation Reimbursement Activity, "Gross Totals" will be shown for columns (b) through (j). Under appropriation 96X3125 the reported "Appropriation Reimbursement Activity" will be footnoted to indicate accrued expenditure data relating to disaster assistance performed at OEP request (see ER 500-1-8). For each disaster indicate the accrued expenditures incurred to date, by fiscal year, if applicable, under each of the following headings.

a "Reimbursable From OEP". Include accrued expenditures relating to disaster assistance costs which are eligible for reimbursement under OEP regulations. Indicate total expenditures, total reimbursements by OEP as of the report date, and remaining unreimbursed balance.

b "Remaining Costs". Report expenditures relating to costs not eligible for OEP reimbursement. Indicate total expenditures, amounts transferred to Emergency Operations (GL 180) as of the report date, and the remaining balance.

8 Additions or changes on work allowances issued by the Chief of Engineers will be used pending revision to App. 20-1.

* (c) Column (b) Unobligated Balance 1 October

The unobligated amounts brought forward from the prior years work allowances will be reported in this column. The total shown for the total appropriation will agree with the balance brought forward from the previous fiscal year in the Unobligated Balance column of the Allotment Ledger maintained for allotted funds activity. The amount shown for Appropriation Reimbursement Activity will be the unobligated balance of such activity brought forward from the previous fiscal year

*

in the Unobligated Balance column of the Allotment Ledger maintained for Appropriation Reimbursement Activity. The amount shown as "Gross Totals" will be the sum of the amounts reported for Total Appropriation and Appropriation Reimbursement Activity.

(d) Column (c) Net Allotment or Increase in Work Allowance - Current Fiscal Year

The amounts entered in this column at category, class, and project level represent the amount of increase in work allowance resulting from the current fiscal year appropriation by Congress. The amount reported for "Total Appropriation" will agree with the allotments received during the fiscal year as reflected by the "Funds Authorized" column of the Allotment Ledger for allotted funds activity. The amount applicable to Appropriation Reimbursement Activity represents the net amount of reimbursable work orders or documents authorizing other appropriation reimbursement activity received during the year, as reflected by the "Funds Authorized" column of the Allotment Ledger - Appropriation Reimbursement Activity. The amount reported as "Gross Totals" will be the sum of amounts reported for "Total Appropriation" and "Appropriation Reimbursement Activity."

(e) Column (d) Total Available for Obligation or Total Approved Work Allowance - Current Fiscal Year.

The amounts entered in this column represent the sum of columns (b) and (c) and are the amounts available for obligation during the current fiscal year. At category, class and project level it represents the approved work allowance for the current fiscal year. Procedures and authorities for approval of work allowances and authorized revisions thereto are contained in ER 11-2-101, and (For Appropriation Reimbursement Activity) in Chapter 5 of this manual.

(f) Column (e) Net Accrued Expenditures - Fiscal Year to Date

Amounts entered in this column represent the accrued expenditures net of expenditure refunds. At category, class and project level it reflects net accrued expenditures under the approved work allowance. At Gross Totals level it reflects net accrued expenditures including those applicable to Appropriation Reimbursement Activity. The amounts are obtained from the Accrued Expenditures columns of the Work Allowance Ledgers and the Allotment Ledgers.

(g) Column (f) Undelivered Orders - End of Period.

At category, class and project level these amounts will be obtained from the undelivered orders columns of the work allowance ledgers. The amount shown for "Total Appropriation" will agree with the amount reflected in the undelivered orders column of the allotment ledger maintained for allotted funds activity. The amount shown for "Appropriation Reimbursement Activity" will agree with the amount reflected in the undelivered orders column of the allotment ledger maintained for appropriation reimbursement activity. The amount shown as "Gross Totals" will be the sum of the amounts reported for "Total Appropriation" and Appropriation Reimbursement Activity."

* (h) Column (g) Undelivered Orders - 1 Oct.

These amounts will be the balances brought forward as of
* 1 Oct. in the Undelivered Orders column of the Work Allowance Ledgers
and Allotment Ledgers for allotted funds activity and appropriation
reimbursement activity.

(i) Column (h) Net Obligations Incurred - Fiscal Year to Date

Amounts are obtained from the Cumulative Obligations columns
of the Work Allowance Ledgers after subtraction of amounts of undelivered
* orders as of 1 Oct. At "Total Appropriation" level the amount will be
the amount of Cumulative Obligations less the amount of undelivered orders
* 1 Oct, as shown in the allotment ledger maintained for allotted funds
activity. For Appropriation Reimbursement Activity, the amount will be
the Cumulative Obligations less the amount of undelivered orders as of
* 1 Oct, as shown in the allotment ledger maintained for appropriation reim-
bursement activity. At "Gross Totals" level the amount will be sum of the
amounts reported for "Total Appropriation" and Appropriation Reimbursement
Activity.

(j) Column (i) Unexpended Balance - End of Period

These amounts represent the unexpended balance of un-
filled orders pertinent to appropriation reimbursement activity,
approved work allowances, and the allotment at appropriation level.
The amounts in this column are the sums of Columns (f) and (j) of
the report.

(k) Column (j) Unobligated Balance - End of Period

These amounts reflect the unobligated balance of orders
received pertinent to Appropriation Reimbursement - Reimbursable
Work, approved work allowances (below appropriation level), and of
the allotment (at the Total Appropriation level). These amounts will
agree with the unobligated balances on the Work Allowance Ledgers,
and the Allotment Ledgers for allotted funds activity and appropriation
reimbursement activity.

(3) Verification of Accuracy of the Report.

Accuracy of the report should be verified by application
of the following formulae to the totals:

a	Col. b + c = col d
b	Col. f + j = col i
c	Col. d + g - a = col i
d	Col. d - h = col j
e	Col. a + f - g = col h.

ER 37-2-10
Change 47
30 Apr 82

(4) Certificate Required.

* ENG Forms 3011a submitted for the reporting periods October through August will reflect the approval of the Comptroller/Resource Manager on the last page of the report for all appropriations. The following certification will be made by the District Commander (Installation Commander) on the last page of ENG Form 3011a submitted for all appropriations for the period ending 30 September. Responsibility for this certification may be delegated no lower than the Comptroller/Resource Manager: *

I hereby certify that the amounts shown in this report are correct. All known transactions meeting the criteria of 31 USC 200(A) have been obligated and are so reported.

*/s/ John P. Doe
JOHN P. DOE
Colonel, Corps of Engineers
District Commander

*

(5) (Reserved)

(6) Procedure for "Close-Out" of Unobligated Balances Pertaining to Prior Year Annual Appropriations. When an appropriation is complete, except for the unobligated balance determined by the installation to be no longer required, a journal voucher will be processed as a revocation of that unobligated balance, debiting account 131.21 - Unobligated Allotments and crediting account 110 - Funds with Treasury. The journal voucher should be posted to the general and allotment ledgers prior to the end of month close out of accounting and reporting. Reports, ENG Forms 3011a and 3011b, will be annotated as required for final reporting in the paragraph next above. A copy of the journal voucher will be furnished with copies of the reports that are submitted to CDR USACE (DAEN-RMF-A) WASH DC 20314, for use as the revocation instrument in posting OCE/HQ accounts.

(7) Special Instructions for Contributions or Advances Held in Escrow. Contributions or advances held in escrow will not be included with appropriated (contributed or advanced) funds in the body of status reports, ENG Form 3011a. Instead, a separate line item for each escrow account identified with the related project, reflecting amounts from Escrow Ledgers (paragraph 5-8.5) in columns (d), (f), and (j) of the report will be shown following "Gross Totals" of the reports covering 96X8862 and/or 96X8869.

c. Submission Requirements ENG Form 3011b.

* (1) Distribution. One set of ENG Form 3011b will be submitted to CDR USACE (DAEN-RMF-AR) WASH DC 20314, to arrive not later than the close of business of the 12th calendar day. *

(2) Preparation Instructions - 30 September Each Year.

(a) Two ENG Forms 3011b will be prepared and submitted for each appropriation which reflects reimbursable activity on ENG Form 3011a as of 30 Sep each year or which had accounts payable applicable to reimbursable activity at the beginning of the fiscal year. One ENG Form 3011b will be headed "Reimbursable Activity" and will reflect all data applicable thereto. The other ENG Form 3011b will be headed "Allotted Fund Activity" and will reflect all data applicable to that activity.

* (b) Trust Funds Refunds. Amounts included in column (e) of ENG Form 3011a for 30 Sept covering appropriations 96I8862 and 96I8869, representing refunds of contributions, and advances, will be shown for this item in ENG Form 3011b only for the month of September.

(c) The instructions in para (3) below are also applicable to the 30 September reports.

(3) Preparation Instructions - General. For other than 30 Sept reports one ENG Form 3011b (Illustration 20/1.1) will be prepared monthly for each appropriation for which ENG Form 3011a is submitted. In addition to reconciling figures on individual district reports, ENG Form 3011b is a source of information to OCE for summarizing amounts in preparation of SF 133. Separate elements of this form are described as follows:

(a) Relationship of Accrued Expenditures, Obligations and Net Disbursements. This part provides for reconciliation of accrued expenditures and obligations to Net Disbursements. Net Disbursements will agree with the sum of disbursements reported on SF 1220's during the current fiscal year for the appropriation involved. For appropriations having reimbursable activity, the net disbursements CFY will be distributed by footnote, between "Reimbursable Activity" and "Allotted Fund Activity", in one of the blank spaces available in the "Items" column. (See Illustration 20/1.1). Where applicable, fiscal year cumulative amounts covering receipts of consolidated working funds (para 4-9b) and refunds of unexpended balances thereof (para 3-5e) will be included in the amount of Net Disbursements and separately identified in space provided.

(b) Reconciliation of Unexpended Balance. This part provides for reconciliation of undischursed allotments to unexpended balance. The unexpended balance must agree with the total of column (i) ENG Form 3011a.

(c) Telephones in Private Residences. The amount of authorization received from the Division Engineer for telephone services in private residences, pursuant to ER 1130-2-402, together with the disbursements applicable thereto will be shown under this heading.

(d) Division Authorizations for Obligations (ENG Form 3010). The amount of apportionment received from the Division Engineer on ENG Form 3010 for obligations on project funds activity and appropriation reimbursement activity to the end of the current quarter, pursuant to Chapter 5, ER 37-2-10, will be reported. Reports which include both supporting and operational districts will reflect the apportionments separately by districts.

(e) Anticipated Appropriation Reimbursement Activity for Balance of Fiscal Year. An estimate of the additional amount of Appropriation Reimbursement Activity (Reimbursable Work and "Other" Appropriation Reimbursement Activity) which is anticipated during the remainder of the current fiscal year, over and above the amount reported in column (c), ENG Form 3011a for the current month, will be shown. Reports which include both supporting and operational districts will reflect estimates separately by districts.

20-2. Trial Balance of Accounts.

a. Format. Trial Balances for all charts are now required, and breakdown by appropriation is necessary where prescribed. Charts B, D, and E Pre-closing and Post-closing Trial Balances will be prepared as outlined below, utilizing ENG Form 3115-R. This form (Illustration 20/3) will be reproduced locally. Chart C Revolving Fund Trial Balances will be prepared as required in Chapter 22, ER 37-2-10.

b. Pre-closing Trial Balance. At month end, when all postings have been effected to the general ledger from the books of original entry, a trial balance of general ledger accounts (Charts B, D, and E) * will be prepared. The trial balance for the month ending 30 Sept of each fiscal year will be prepared after posting adjusting and billing * entries as of 30 Sept, but prior to the posting of any fiscal year end closing entries.

c. Post-closing Trial Balance. At fiscal year end, after all closing entries have been posted to the General Leger, a post-closing trial balance will be prepared on ENG Form 3115-R except that districts required to prepare report for GAO use will follow the format prescribed in para 20-4c for Chart B accounts. The referenced closing * entries will be posted to the general ledger as of 30 Sept. each year.

d. Submission Requirements.

(1) One copy of the Chart B Post-closing Trial Balance for the * month of Sept will be submitted not later than 20 October of each year to HQDA (DAEN-ECF-A) WASH DC 20314. The Trial Balance will have indicated thereon the name of the submitting office, the applicable date, and the general ledger designations.

(2) To facilitate consolidation of account balances in Office, Chief of Engineers, the total only of each primary account (e.g., 113, 116, 131.2, etc.) will be shown in the debit and credit columns. Where a primary account is made up of more than one subaccount, amounts for the subaccounts will be shown in the space to the left of the debit column.

(3) The following data will be shown by footnote on the last page of the post closing trial balance:

(a) The certified "Undelivered Orders End of Period " for each appropriation will be distributed between (1) amount obligated to other Government funds (Within Federal Government) and (2) net amount obligated to the public.

* (b) "Unadjudicated Claims" as of 30 Sept that will be payable from each appropriation or fund when approved. These amounts will be stated at the maximum limit of the claims, not at anticipated settlement cost.

ER 37-2-10
Change 53
29 Nov 84

(c) "Unfinanced continuing contracts" as of 30 Sep that will be payable from each appropriation or fund. This will be the total unobligated amount of continuing contracts for each appropriation that will be payable upon availability of appropriated funds.

* (4) In order to support the preparation of SF 220 to Treasury, prepared by OCE, the following additional footnotes will be added to the Post-closing Trial Balance report (RCS DAEN-RMF-9):

(a) Report the amount which is included in General Ledger 101 that applies to Land Acquisition payments (Construction General, cost account features 01.11, 01.13, 01.14, 01.16, and 01.5). Included should be the valuation of public domain lands. Also include appropriate amounts for corresponding accounts in cost account feature 02 and those in the Operations and Maintenance appropriation.

(b) Report the amount which is included in General Ledger 101 that applies to Personal Property. This will be the total recorded in feature cost accounts 20 and 630.

(c) Report separately accounts payable as of end of period for each appropriation for (1) accounts payable due other Federal Government funds (within Federal Government) and (2) accounts payable due the public.

(d) Report the same breakout as in (c) above for accounts receivable.

- * 20-3. Report of Real and Personal Property Held - 30 Sep 19-- (RCS DAEN-RMF-11). The Chief of Engineers must report to higher authority the cost of Civil Works real and personal property at year end.
- * EP 405-1-2 requires reporting of Civil Works real property on GSA Form 1166. This includes real property, the cost of which is included in general ledger accounts for plant in service, sites acquired for purposes of construction and real property in process of retirement; GSA Forms 1166 do not include personal property. Based on Chart B Post-closing Trial Balance and Revolving Fund Report No. 4 amounts, Districts will report cost of real and personal property in accordance with instructions as shown on Illustration 20/4. Reports will be submitted to reach CDR USACE (DAEN-RMF-C), WASH DC 20314-1000, not later than 10 November each year.

20-4. Trial Balance, Chart B Accounts - Civil Works Activities (RCS GAO-1001). a. General. To meet General Accounting Office requirements for audit of power systems, a report consisting of a post-closing trial balance of all Chart B civil general ledger accounts with supporting statements and annual closing journal entries will be prepared as of 30 Sep. Two complete sets of the report will be held available for GAO regional auditors. A copy of the trial balance will be submitted to the Chief of Engineers in accordance with par 20-2d.

b. Applicability. The report will be prepared by each District having multiple purpose projects including power.

c. Trial Balance Format. The trial balance will list all general ledger accounts by number and title and show balances in debit and credit columns, and subaccount balances in accordance with par 20-2d(2). Additional pairs of debit and credit columns will be headed with the names of each multiple purpose project including power, and another pair headed "Other." The balances in the first set of debit and credit columns will be distributed appropriately to the individual projects and to "Other."

d. Source Data.

(1) Subsidiary cost ledgers will be used as necessary to distribute the general ledger account balances.

(2) Amounts will be distributed for undisbursed allotments, accounts receivable, accounts payable, etc., even though the general ledger accounts are maintained at the appropriation level.

(3) Subdivisions of undisbursed allotment balances will be determined by analysis of accounts receivable (creditable to appropriations) and accounts payable as of 30 Sep, and data on the work allowance ledgers, by applying the following formula:

Unobligated balance

plus: Undelivered Orders
plus: Accounts payable
minus: Accounts receivable
equals: Undisbursed balance

e. Supporting Data. For each multiple purpose project including power in "operation" status on 30 Sep of any fiscal year the following data will be filed with the Trial Balance:

(1) A copy of the "Statement of Revenues and Expenses for the Fiscal Year", prepared in accordance with instructions for the Annual Report to the Federal Power Commission, FPC Form No. 1 (FPC - 1002).

(2) A copy of each of the annual closing journal entries.

f. Required Footnote. The trial balance and financial data furnished to the power marketing agency will be footnoted to indicate that GL 142 represents estimated contractor's earnings in excess of continuing contract monetary limitation--performed by the contractor at his own risk--which will be paid when funds are appropriated.

ER 37-2-10
Change 25
30 Jun 74

20-5. Report on Obligations, Standard Form 225 (RCS TREAS-1058).

a. General. Monthly reports with punched cards will be submitted on S 225 covering an analysis of obligations incurred, by object class, and certain related transactions and balances.

(1) The finance and accounting activity will prepare the report data to be submitted for each report. Data for punched card reporting will conform to instructions and definitions contained herein (APP 20-III).

(2) For assurance of accuracy, verification of key-punched cards will be made by the key punch activity.

(3) Separate machine listings will be prepared for each report and each listing will be verified by the finance and accounting activity.

(4) After verification and required corrective actions have been made, punched cards will be transmitted in accordance with instructions and guidance provided in paragraph 20-5b.

(5) Machine print-outs of the punched cards from each reporting office will be produced and reviewed by OCE, Financial Reporting Section, each month. If errors or discrepancies are found, the print-outs will be annotated and sent to the reporting office for necessary corrective action in the next reporting cycle.

b. Submission Requirements. Punched cards will be dispatched for delivery in accordance with ER 18-1-18. The due date coincides with the monthly Reports on Status of Appropriations and Work Allowances, ENG Form 3011a (RCS DAEN-ECF-9).

(1) Data Submission Identification. Punched card columns used will be in accordance with ER 18-1-18 and cards will be identified for submission of data packages as described below:

(a) Furnish "AFAA" to the transmitting operator for the Department and Content Indicators in Data Header Card.

(b) Use CIV FUND for the Report Title in the Text Header Card.

(2) Data Collaboration. Separator and/or remarks cards will not be submitted in the data decks. Any collaboration pertinent to the submission data will be by TWX or phone to HQDA (DAEN-RMF) WASH DC 20314.

(3) Correction of Submittal Data. Correction of data submission will be made only by resubmission of complete data deck, previously coordinated with HQDA (DAEN-RMF) WASH DC 20314.

c. Coverage. A separate report (Illustration 20/5) will be submitted by each appropriation or fund account title, including the Revolving Fund but excluding deposit funds, for which obligations or obligation adjustments are recorded in the accounts for the current fiscal year, or for which net unpaid obligations remain at the end of the reporting period. Sections I, II, and III apply only to unexpired funds. Section IV applies only to expired appropriations (including "M" accounts). Section V applies to both unexpired and expired appropriations (including "M" accounts). State amounts to the nearest tenth of a thousand dollars. Amounts for Sections I through IV will cover the current fiscal year to the end of the month reported. Amounts in column (3) for Section IV and the total of Section I will agree with applicable amounts in reports on ENG Form 3011a. For the Revolving Fund, total amounts for Sections I thru III and V will be computed and reconciled as shown in APP 20-II.

d. Preparation of SF 225.

(1) Heading. Substitute the title "District" for "Bureau." Insert "EROC Code" (ER 18-1-12) to the right in the same block. In the block "Unexpired Accounts, Current Year Symbols" show the current year symbol and the appropriation code (APP 20-I).

(2) Section I - Gross Obligations by Object Class.

(a) Cumulative fiscal year obligations will be obtained from the records prescribed by paragraph 5-27c, using the conversion procedure described therein. Where the amount necessary to convert accrued

expenditures to obligations is relatively insignificant the exact computation thereof by object class may be omitted and the amount shown on the line "Undistributed U. S. obligations." Generally, only significant changes in undelivered orders objectively classified 32 (and 31, in districts acquiring floating plant or other items of equipment) need be considered in the conversion.

(b) For the purpose of this report, object class 25 will include classes 251, 252, and 253. Obligations for classified vouchers (not subject to detailed vouchering or reporting) will be shown on the line "Unvouchered." No amounts will be reported for "Obligations incurred abroad."

(c) (Reserved)

(d) Column (3) will include the total gross amount of all obligations incurred for only unexpired accounts, including obligations within the Federal Government.

(e) Column (4) will show that portion of the transactions shown in column (3) which have only intragovernmental effect. Includes cumulative obligations incurred to make payment to some other officially established appropriation, fund or receipt account of the Federal Government (including the Revolving Fund and trust funds but not deposit funds). For the purpose of this report transactions for object classes 11, 13, 41, 42 and 44 will be considered in their entirety as not being within the Federal Government. Object class 252 will be included as within Federal Government only, on the line for code 25, Other Services. Due to PCS items (PL 89-516) obligated for payment to individuals, object class 12 will not be entirely within Federal Government, and amounts for this class will be greater in column (3) than in column (4).

(3) Section II. (a) (Unexpired accounts only). Enter amount of obligations applicable to reimbursable activity (Column of ENG Form 3011a).

(b) For the Revolving Fund, enter the sum of G. L. Account 401, less GL 401.1, plus nonoperating income credited in current FY to 490.-series of cost accounts, plus end of period balance unfilled orders (EAM 893, ENG Form 3017).

ER 37-2-10
Change 42
21 Dec 79

(4) Section III. This amount represents total gross obligations (Section I) less the amount shown for Section II. For appropriations on ENG Form 301a, this should agree with column h of the total appropriation line.

(5) Section IV. Enter the net adjustment (either upward or downward) of prior year obligations for expired accounts including "M" accounts).

(6) Section V. Enter the amount representing the unpaid obligations, for both unexpired and expired accounts (accounts payable and undelivered orders) less accounts receivable and unbilled intragovernmental reimbursable orders which have been accepted. This will be a minus amount, if accounts receivable and the accepted orders exceed unpaid obligations. (Chart B; C.L. Accts. 141 plus 131.22 minus 131.27 minus 113.3 and 113.4.) (Revolving Fund; as shown in item 6, APP 20-II).

20-6 Report on Costs of Roads and Bridges (RCS COMH-1027).

a. General. This annual report furnishes data applicable to Civil Works construction to assist the U. S. Department of Transportation, Bureau of Public Roads in determining the total cost of highway work in which Federal funds are involved.

b. Submission Requirements. Report (negative, if applicable) will be submitted in duplicate by each District Engineer and by the New England * and Pacific Ocean Division Engineers to reach HQDA (DAEN-RCE-A) Wash DC * 20314, not later than the fifteenth workday of October.

c. Preparation Instructions. The report (in letter form) will show total previous fiscal year federal costs, by state in which jobs are located, for construction of public roads and highway bridges, including alteration, relocation and reconstruction (excluding costs of roads and bridges constructed primarily for project purposes), in the following format (rounded to nearest thousand dollars):

<u>State</u>	<u>Total Fiscal Year Costs</u>	<u>Paid/Payable to States/Local Govts</u>	<u>All Other Costs</u>
--------------	------------------------------------	---	----------------------------

20-6

20-14

* 20-7. Report of FY Costs for Natural Resource Management and Recreation Management (RCS DAEN-RMF-22) (Illustration 20/8).

a. General. This annual report furnishes basic cost data for the support of budget submissions to Office of Management and Budget (OMB) and Congress. In addition, the data is necessary to monitor the overall recreation - resource management mission of the Corps of Engineers.

b. Submission Requirements. Each District's report will be submitted in duplicate to reach CDR USACE (DAEN-RMF-C), WASH DC 20314-1000, by 15 November each year. **NEGATIVE REPORTS ARE REQUIRED.**

c. Preparation Instructions. Districts will furnish annual report listing cost totals for each of the prescribed cost feature/subfeature account codes. The Corps of Engineers Management Information System (COEMIS) report program 203P557F includes overhead on applicable costs at subfeature level. Districts will manually report related supervision and inspection and overhead (on S&I) at feature level. Costs related to additions and betterments and/or retirements are to be shown separately from the operation and ordinary maintenance costs. Cost data reported will include all appropriations (including 96X3123 and 96X3112) which use the following cost feature/subfeature accounts.

* Feature/Subfeature

<u>Account Number</u>	<u>Feature/Subfeature Account Title</u>
605	NATURAL RESOURCE MANAGEMENT
605.1	Management of Natural Resources Excluding Fish Hatcheries (R01)
605.2	Operation of Fish Hatcheries (R05)
605.3	Fish Passage Activities (R06)
605.4	Management of Archaeological and Cultural Resources
606	RECREATION MANAGEMENT
606.1	Management of Recreation Areas and Facilities (R03)
606.2	Operation of Visitor Centers (R04)
606.3	Management of Recreation Areas and Facilities Using Special Recreation Use Fee Funds (R21)
606.4	Master Plans (R08)
624	NATURAL RESOURCE FACILITIES
624.1	Maintenance of Natural Resource Facilities (R10)
624.2	Maintenance of Fish Hatcheries and Fish Passage Facilities (R11)
624.3	Maintenance of Archeological and Cultural Buildings, Sites, Structures or Objects (R17)

*

ER 37-2-10
Change 56
15 Aug 85

*

Feature/Subfeature
Account Number

Feature/Subfeature Account Title

629	MAINTENANCE OF RECREATIONAL FACILITIES
629.1	Maintenance of Recreation Facilities Including Buildings, Grounds and Utilities (R14)
629.2	Road and Bridge Maintenance - Recreational (R12)
629.3	Erosion Control in Recreation Areas (R13)
629.4	Maintenance of Visitors' Centers (R15)
629.5	Maintenance and Purchase of Permanent Operating Equipment for Recreational Purposes (R16)
629.6	Correction of OSHA Deficiencies on Recreational Facilities (S05)
629.7	Maintenance of Recreational Facilities for Energy Conservation (S08)
629.8	Correction of Sanitary Deficiencies (R18)
629.9	Maintenance Using Special Recreation User Fee Funds (R20)
607	CONDITION AND OPERATION STUDIES AND ACTIVITIES CONTINUED
607.54	Fisheries Development Activities (R07)
634	ENGINEERING AND DESIGN (E&D)
634.31	Natural Resources
634.32	Recreation

*

30 September 19

11 Apr 77

ER 37-2-10

Change 37

2 Oct 78

REPORT ON STATUS OF APPROPRIATIONS AND WORK ALLOWANCES
CIVIL WORKS FUNDS
(SUPPLEMENTARY RECONCILIATION DATA)

REQUIREMENTS
CONTROL SYMBOL
DAEN-RMF-9

APPROPRIATION SYMBOL AND TITLE	DISTRICT CODE	DISTRICT NAME	PERIOD ENDING
96X3122 Construction, General, CE, Civil	G 2	Portland, Oregon	30 September 19--
ITEMS		AMOUNTS	
RELATIONSHIP OF ACCRUED EXPENDITURES, OBLIGATIONS AND NET DISBURSEMENTS			
ACCRUED EXPENDITURES (Gross Incl. Appropriation Reimbursements) Activity: FY TO DATE		56,822,936.52	
CHANGE IN UNDELIVERED ORDERS (+ OR -)		-1,020,668.49	
OBLIGATIONS FY TO DATE			55,802,268.03
UNPAID OBLIGATIONS: 1 October			
G L 141 ACCOUNTS PAYABLE	7,500,000.00		
G L 131 22 UNDELIVERED ORDERS	1,886,852.63	9,386,852.63	
LESS			
G L 113 3 ACCOUNTS RECEIVABLE - REFUNDS	12,300.00		
G L 113 4 ACCOUNTS RECEIVABLE - APPROPRIATION REIMB.	6,300.00	18,600.00	
Plus: NET UNPAID OBLIGATIONS: 1 October			9,368,252.63
UNPAID OBLIGATIONS: END OF REPORTING PERIOD			
G L 141 ACCOUNTS PAYABLE	3,500,000.00		
G L 131 22 UNDELIVERED ORDERS	866,184.14	4,366,184.14	
LESS			
G L 113 3 ACCOUNTS RECEIVABLE - REFUNDS	20,700.00		
G L 113 4 ACCOUNTS RECEIVABLE - APPROPRIATION REIMB.	3,500.00	24,200.00	
Less: NET UNPAID OBLIGATIONS: END OF PERIOD			4,341,984.14
Plus: G L 131 25 REIMBURSEMENTS TO APPROPRIATIONS: CFY			266,000.00
NET DISBURSEMENTS (SF 1220) CURRENT FISCAL YEAR			#60,562,536.52
RECONCILIATION OF UNEXPENDED BALANCE			
G L 110 FUNDS WITH TREASURY		4,794,590.01	
G L 113 3 ACCOUNTS RECEIVABLE - REFUNDS		20,700.00	
G L 113 4 ACCOUNTS RECEIVABLE - APPROPRIATION REIMB.		3,500.00	
G L 131 27 UNBILLED REIMBURSABLE ORDERS		182,968.00	
TOTAL			5,001,758.01
Less: G L 141 ACCOUNTS PAYABLE			3,500,000.00
UNEXPENDED BALANCE (G L 131 27 & 131 22)			1,501,758.01
TELEPHONES IN PRIVATE RESIDENCES			
DIVISION AUTHORIZATION			1,000.00
DISBURSEMENTS			993.00
DIVISION AUTHORIZATION FOR OBLIGATIONS (ENG FORM 3010) APPROPRIATION RECEIVED TO END OF CURRENT QUARTER			
			56,370,000.00
ANTICIPATED APPROPRIATION REIMBURSEMENT ACTIVITY FOR BALANCE OF FISCAL YEAR			
#Distribution of CFY Net Disbursements			
Reimbursable Activity	-8,065.61		
Allotted Activity	60,570,602.13		.00
WORKING FUNDS, CFY (Included in Net Disbursements)			
RECEIPTS			
REFUNDS			
TRUST FUND REFUNDS (Included in Col. 8, ENG Form 3011a)			
96 x 8862 & 96 x 8869 (September Report Only)			

ENG, FORM 3011b Illustration 20/1 1

20-16 PREVIOUS EDITIONS ARE OBSOLETE

(ER 37-2-10)

*

ER 37-2-10

1 Apr 69

GENERAL LEDGER TRIAL BALANCE - CHART _____ ACCOUNTS		☐ PRE-CLOSING ☐ POST CLOSING
		AS OF (date)
INSTALLATION OR ACTIVITY		
NUMBER AND TITLE OF ACCOUNTS	DEBIT	CREDIT
<i>FOR ILLUSTRATION PURPOSES ONLY</i> (Local reproduction authorized - blank masters available from local FMO)		
Illustration 20/3		

ILL 20/4

REPORT OF REAL AND PERSONAL PROPERTY HELD AS OF 30 SEPTEMBER 19--

TO: CDR USACE
ATTN: DAEN-RMF-C
FROM: District

RCS DAEN-RMF-11

ER 37-2-10
Change 53
29 Nov 84

GL Account	Constr. W/Prog, Other Assets and Expenses	Real Property	Personal Property	Total
a	b	c	d	e
101.	See Note (1)	Total GL 101., ex- cluding cols b & d	Cost acct 20. only	Total GL 101
107.	Total GL 107., excluding amounts in cols c & d	See Note (2)	Cost accts; 20.; 41.; 50.1; 630.	Total GL 107
108.1		Total GL 108.1, excluding col d	Cost acct 20. only	Total GL 108.1
179.	Total GL 179, excluding amounts in cols c & d	Show cost of any real property & applicable cost acct	Cost accts: 641.; 650.1.	Total GL 179
Cite any other GL acct containing real & personal property	Total GL acct, excluding amts in cols c & d	Show cost of any real property & applicable cost acct	Show cost of any personal property & applicable cost acct	Total appli- cable GL acct
Totals: Chart B	\$	\$	\$	\$
Chart C		\$See Note (3)		
* Total Real Property		\$		

NOTES: (1) Include river and harbor excavation located on non-federal lands, and other items, such as easements, lesser interest in land and value of land withdrawn from public domain which are neither personal property nor U.S. owned real property.

(2) For sites acquired, include the cost of U.S. owned land and all Corps expenses in connection with acquisition or preparation of land. Include cost of all buildings or structures completed and available for service as of inventory date for which GSA Form 1166 has been submitted, even though costs have not been transferred to GL acct 101.

(3) Report the book cost of land and structures (accounts 470 and 471) in service at the year end, as included on Schedule - Plant, Properties and Equipment, RF, Report No. 4, EAM code 129, plus the book cost of land and structures in process of retirement at the end of the fiscal year, EAM code 159.

* (4) Rescinded.

TO BE TYPED AS REQUIRED ON PLAIN STANDARD LETTER SIZE BOND PAPER.

20-18

USE COPY AVAILABLE

REPORT ON OBLIGATIONS

(IN THOUSANDS OF DOLLARS)

RCS TREAS-1058

AGENCY		Appropriation or Fund Title	
Corps of Engineers		Operation & Maintenance, General, Civil	
~~XXXXXX~~ DISTRICT	EROC	Unexpired Accounts, Current Year Symbols	
* Chicago	F2	96X3123	Code 903
Description (1)	Object Class Symbol (2)	Transactions, Fiscal Year to Date	
		Total Transactions (3)	Within Federal Government Only (4)
SECTION I—Gross obligations by object class			
Personnel compensation.....	11	1,927.6	
Personnel benefits.....	12	138.8	135.8
Benefits for former personnel.....	13		
Travel and transportation of persons.....	21	21.6	2.3
Transportation of things.....	22	6.8	
Rent, communications, and utilities.....	23	35.4	
Printing and reproduction.....	24	0.6	0.1
Other services.....	25	822.8	632.8
Supplies and materials.....	26	154.6	6.5
Equipment.....	31	114.1	8.0
Lands and structures.....	32	7.5	
Investments and loans.....	33		
Grants, subsidies, and contributions.....	41		
Insurance claims and indemnities.....	42	1.9	
Interest and dividends.....	43		
Refunds.....	44	1.1	
Undistributed U.S. obligations.....	96		
Obligations incurred abroad.....	97		
Unvouchered.....	98		
TOTAL SECTION I.....		3,232.8	785.5
SECTION II—Advances, reimbursements, other income, etc.....		2.0	
SECTION III—Net obligations incurred.....		3,230.8	
SECTION IV—Expired Accounts (adjustment during reporting period).....			
SECTION V—Net unpaid obligations.....		310.8	

ILLUSTRATION 20/5

U. S. GOVERNMENT PRINTING OFFICE: 1970 431-100 (448)

TRANSACTION CODES FOR
REPORT ON OBLIGATIONS (BY OBJECT CLASS)

ER 37-2-10
Change 13
30 Jul 71

Description Card Cols	TRANS. CODES 16-18	Transactions, Fiscal Year to Date	
		Total Transactions (26-32)	Within Federal Government Only (37-43)
SECTION I—Gross obligations by object class			
Personnel compensation	011		
Personnel benefits	012		
Benefits for former personnel	013		
Travel and transportation of persons	021		
Transportation of things	022		
Rent, communications, and utilities	023		
Printing and reproduction	024		
Other services	025		
Supplies and materials	026		
Equipment	031		
Lands and structures	032		
Investments and loans	033		
Grants, subsidies, and contributions	041		
Insurance claims and indemnities	042		
Interest and dividends	043		
Refunds	044		
Undistributed U.S. obligations	096		
Obligations incurred abroad	097		
Unvouchered	098		
TOTAL SECTION I	100		
SECTION II—Advances, reimbursements, other income, etc.	101		
SECTION III—Net obligations incurred	102		
SECTION IV—Expired Accounts (adjustment during reporting period)	103		
SECTION V—Net unpaid obligations	104		

ER 37-2-10
Change 56
15 Aug 85

* TO: CDR USACE (DAEN-RMF-C)
WASH DC 20314-1000

FISCAL YEAR ENDING
30 September 1985

SPECIMEN DISTRICT
NATURAL RESOURCE MANAGEMENT COSTS AND RECREATIONAL
MANAGEMENT COSTS (RCS DAEN-RMF-22)

Operation and Ordinary Maintenance

605	Natural Resource Management	
.1	Management of Natural Resources Excluding Fish Hatcheries	\$
.2	Operation of Fish Hatcheries	797,386
.3	Fish Hauling Activities	108,174
.4	Management of Archaeological and Cultural Resources	98,221
	Related S&I and O/H (on S&I)	
606	Recreation Management	
.1	Management of Recreation Areas and Facilities	\$ 35,121
.2	Operation of Visitor Centers	
.3	Management of Recreation Areas and Facilities Using Special Recreation Use Fees	
.4	Master Plans	11,732
	Related S&I and O/H (on S&I)	45,861
624	Natural Resource Facilities	
.1	Maintenance of Natural Resource Facilities	\$ 373,061
.2	Maintenance of Fish Hatcheries	460,025
.3	Maintenance of Archeological and Cultural Buildings, Sites, Structures or Objects	23,530
	Related S&I and O/H (on S&I)	
629	Recreational Facilities	
.1	Maintenance of Recreational Facilities Including Buildings, Grounds and Utilities	\$ 4,694,133
.2	Road and Bridge Maintenance - Recreational	571,489
.3	Erosion Control in Recreation Areas	
.4	Maintenance of Visitors Centers	254,749
.5	Maintenance and Purchase of Permanent Operating Equipment for Recreational Purposes	28,100
.6	Correction of OSHA Deficiencies on Recreational Facilities	
.7	Maintenance of Recreational Facilities for Energy Conservation	3,484
.8	Correction of Sanitary Deficiencies	
.9	Maintenance Using Special Recreation Use Fees	
	Related S&I and O/H (on S&I)	30,689
607	Condition and Operation Studies and Activities	\$ 3,089
.54	Fisheries Development Activities	
	Related S&I and O/H (on S&I)	309
634	Engineering and Design	
.31	Natural Resources	\$ 33,083
.32	Recreation	
	Related S&I and O/H (on S&I)	3,304
	TOTAL	\$ 7,575,540

*

Additions and Betterments

624	Natural Resource Facilities	\$ 4,694,133
	Related S&I and O/H (on S&I)	460,025
629	Recreation Facilities	2,249,749
	Related S&I and O/H (on S&I)	254,221
	TOTAL	\$ 7,658,128

Retirements

624	Natural Resource Facilities	517,530
	Related S&I and O/H (on S&I)	73,489
629	Recreation Facilities	
	Related S&I and O/H (on S&I)	
	TOTAL	\$ 591,019

Illustration 20/B

APPENDIX 20-I

NUMERICAL CODING FOR CIVIL WORKS APPROPRIATIONS

96X3121 GENERAL INVESTIGATIONS

Appropriation Code 901

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Category - Surveys	1	0	0
Class - Navigation Studies	1	1	0
Class - Flood Damage Prevention Studies	1	2	0
Class - Shoreline Protection Studies	1	3	0 ^{1/}
Class - Special Studies (List by Work Allowance Title)	1	4	0 ^{1/}
Class - Comprehensive Studies	1	5	0
Sub-C - Framework Studies & Assessments (Level A)	1	5	1
Sub-C - Comprehensive Basin Studies (Level B)	1	5	2
Sub-C - Authorization Reports from Level B Studies	1	5	3
Class - Review of Authorized Projects	1	6	0
Sub-C - Restudy of Deferred Projects	1	6	1
Sub-C - Review of Completed Projects (Sec 216, PL 91-611)	1	6	2
Sub-C - Review for Deauthorization (Sec 12, PL 93-251)	1	6	3
Sub-C - Detailed Economic Studies	1	6	4
Sub-C - Review of Marginal O&M Projects	1	6	6
Sub-C - Review of Local Protection Projects	1	6	7
Sub-C - Drought Contingency Planning	1	6	8

*

20-I-20

APP 20-I

ER 37-2-10
Change 53
29 Nov 84

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Class - Miscellaneous Activities	1	7	0	
Sub-C - Special Investigations	1	7	1	
Sub-C - FERC Licensing Activities	1	7	2	
* Sub-C - Dam Safety Criteria Studies	1	7	3	*
Class - Coordination with Other Agencies and Non-Federal Interests	1	8	0 ^{1/}	
Sub-C - Department of Agriculture, SCS (PL 83-566)	1	8	1	
Sub-C - Department of Interior, Bureau of Reclamation (PL 84-984)	1	8	2	
Sub-C - River Basin Commissions and Committees	1	8	3	

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Sub-C- Water Quality Management (Sec 208, PL 92-500)	1	8	4
Sub-C - Coastal Zone Management (P.L. 92-583)	1	8	5
Sub-C - Planning Assistance to States (Sec. 22, P.L. 93-251; Sec. 204, P.L. 91-611; and Sec. 214, P.L. 89-298)	1	8	6
Sub-C - National Wild and Scenic Rivers Systems (P.L. 90-452)	1	8	7
Sub-C - Technical and Engineering Assistance on Shore and Streambank Erosion (Sec. 55, P.L. 93-251)	1	8	8
Class - Supplemental Pre-Authorization Studies (Phase I)	1	9	0 <u>2/</u>
Sub-C - Navigation, Channels and Harbors	1	9	1 <u>2/</u>
Sub-C - Navigation, Locks and Dams	1	9	2 <u>2/</u>
* Sub-C - Shoreline Protection	1	9	3 <u>2/</u>
Sub-C - Flood Damage Prevention, Local Protection	1	9	4 <u>2/</u>
Sub-C - Flood Damage Prevention, Reservoirs	1	9	5 <u>2/</u> +
Sub-C - Multiple-Purpose Power Projects	1	9	6 <u>2/</u>
Category - Collection and Study of Basic Data	2	0	0
Class - Stream Gaging (U.S. Geological Survey)	2	1	0
Class - Precipitation Studies (National Weather Service)	2	2	0
Class - Inspection of Dams (P.L. 92-367)	2	3	0
Class - International Waters Studies	2	4	0
Class - Flood Plain Management Services	2	5	0

ER 37-2-10
Change 47
30 Apr 82

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Class - Hydrologic Studies	2	6	0
Sub-C - Storm Studies	2	6	1
Sub-C - General Hydrologic Studies	2	6	2
Sub-C - Sedimentation Studies	2	6	3
Sub-C - Streamflow and Rainfall Data	2	6	4
Class - Scientific and Technical Information Centers	2	7	0
Class - Coastal Data Collection	2	8	0
* Class - Miscellaneous	2	9	0
Sub-C - Transportation Systems	2	9	1
Sub-C - Environmental Data Studies	2	9	2
Category - Research and Development	3	0	0
Class - Materials	3	1	0
Sub-C - Soil	3	1	1
Sub-C - Rock	3	1	2
Sub-C - Concrete	3	1	3
Sub-C - Structural Engineering	3	1	4
Sub-C - Electrical-Mechanical	3	1	5
Class - Coastal Engineering	3	2	0
Sub-C - Coastal Hydraulics	3	2	1
Sub-C - Coastal Sediments	3	2	2
Sub-C - Coastal Structures	3	2	3
Sub-C - Sediment-Hydraulic Interaction	3	2	4

20-I-22

APP 20-I

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Sub-C - Structure - Hydraulic Interaction	3	2	5	
Sub-C - Structure - Sediment Interaction	3	2	6	
Sub-C - Structure - Sediment - Hydraulic Interaction	3	2	7	
Class - Flood Control and Navigation	3	3	0	
Sub-C - Waterways	3	3	2	
Sub-C - Locks and Dams	3	3	3	
Sub-C - Improvement of O&M Techniques	3	3	4	
Sub-C - Hydrology of Cold Regions	3	3	5	
Sub-C - Ice Engineering	3	3	6	
Class - Environmental Quality	3	4	0	
Sub-C - Environmental Impact	3	4	1	
Sub-C - Wastewater Management	3	4	3	
Class - Water Resources Planning Studies	3	5	0	
Sub-C - Planning Methodologies	3	5	2	
Sub-C - Analytical Techniques for Water Resources Management	3	5	3	
Sub-C - Recreation	3	5	4	
Sub-C - Flood Plain Management	3	5	5	
* Sub-C - Risk Assessment of Corps Dams	3	5	7	*
Class - Earth Resources Satellite	3	6	0	

1/ Effective 1 October 1978 (Name change only.)

2/ Effective 1 October 1978 (Replaces 96X3122 170-176.)

APP 20-I

20-I-22a

ER 37-2-10
Change 52
30 Apr 84

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Class - Construction, Operations and Maintenance	3	7	0	
Sub-C - Construction, Operations and Maintenance Management	3	7	1	
Sub-C - Energy Management	3	7	2	
Sub-C - Improvement of O&M Techniques	3	7	3	
Sub-C - Long-term Effects of Dredging Operations	3	7	4	
Sub-C - Recreation	3	7	5	
* Class - Technology Transfer Program	3	8	0	*

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
* Category - Continuation of Planning and Engineering	4	0	0	
Class - Navigation Projects	4	2	0	
Sub-C - Channels and Harbors	4	2	1	
Sub-C - Locks and Dams	4	2	2	
Class - Total Beach Erosion Control Projects	4	4	0	
Class - Flood Control Projects	4	5	0	
Sub-C - Local Protection	4	5	1	
Sub-C - Reservoirs	4	5	2	
Class - Total Multiple Purpose Power Projects	4	6	0	
Category - Planning and Engineering Under Proposed Legislation	5	0	0	
Class - Navigation Projects	5	2	0	
Sub-C - Channels and Harbors	5	2	1	
Sub-C - Locks and Dams	5	2	2	
Class - Total Beach Erosion Control Projects	5	4	0	
Class - Flood Control Projects	5	5	0	
Sub-C - Local Protection	5	5	1	
Sub-C - Reservoirs	5	5	2	
Class - Total Multiple Purpose Power Projects	5	6	0	*

20-I-22b

APP 20-I

ER 37-2-10
Change 47
30 Apr 82

96X3121 General Investigations
Appropriation Code 901
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
* Category - Advance Engineering and Design	6	0	0
Class - Navigation Projects	6	2	0
Sub-C - Channels and Harbors	6	2	1
Sub-C - Locks and Dams	6	2	2
Class - Total Beach Erosion Control Projects	6	4	0
Class - Flood Control Projects	6	5	0
Sub-C - Local Protection	6	5	1
Sub-C - Reservoirs	6	5	2
Class - Total Multiple Purpose Power Projects	6	6	0

APP 20-I

20-I-22c

739A

BEST COPY AVAILABLE

96X3122 Construction, General
Appropriation Code 902

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
* Category - Advance Engineering and Design	1	0	0
Class - Navigation Projects - Fully Authorized	1	2	0
Sub-C - Channels and Harbors	1	2	1
Sub-C - Locks and Dams	1	2	2
Class - Beach Erosion Control Projects - Fully Authorized	1	4	0
Class - Flood Control Projects - Fully Authorized	1	5	0
Sub-C - Local Protection	1	5	1
Sub-C - Reservoirs	1	5	2
Class - Multiple Purpose Power Projects - Fully Authorized	1	6	0
Class - Projects Authorized for Phase I Advance Engineering and Design	1	7	0
Sub-C - Navigation, Channels and Harbors	1	7	1
Sub-C - Navigation, Locks and Dams	1	7	2
Sub-C - Beach Erosion Control	1	7	3
Sub-C - Flood Control, Local Protection	1	7	4
Sub-C - Flood Control Reservoirs	1	7	5
Sub-C - Multiple Purpose Power Projects	1	7	6
Class - Projects Authorized for Phase I Advance Engineering and Design and Approved for AE&D After Completion of Phase I	1	8	0
Sub-C - Navigation, Channels and Harbors	1	8	1
Sub-C - Navigation, Locks and Dams	1	8	2
Sub-C - Beach Erosion Control	1	8	3
Sub-C - Flood Control, Local Protection	1	8	4
Sub-C - Flood Control Reservoirs	1	8	5
Sub-C - Multiple Purpose Power Projects	1	8	6 *

20-I-23

APP 20-I

ER 37-2-10
Change 47
30 Apr 82

96X3122 Construction, General
Appropriation Code 902
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Category - Navigation Projects	2	0	0	
Class - Channels and Harbors	2	1	0	
Sub-C - Projects Specifically Authorized by Congress	2	1	1	
Sub-C - Projects Not Specifically Authorized by Congress (Sec.107, 1960 Act & Modifications)	2	1	6	
Sub-C - Debris Removal	2	1	7	
Class - Locks and Dams	2	2	0	
Class - Mitigation of Shore Damages Attributable to Navigation Projects (Sec.111)	2	3	0	
Sub-C - Projects Specifically Authorized by Congress	2	3	1	
Sub-C - Projects Not Specifically Authorized by Congress	2	3	2	
* Class - Dam Safety Assurance	2	4	0	*
Category - Beach Erosion Control Projects	4	0	0	
Class - Projects Specifically Authorized by Congress	4	1	0	
Sub-C - Projects Not Specifically Authorized by Congress (Sec.103, 1962 Act & Modifications)	4	2	0	
Category - Flood Control Projects	5	0	0	
Class - Local Protection	5	1	0	
Sub-C - Projects Specifically Authorized by Congress	5	1	1	

APP 20-I

20-I-24

96X3122 Construction, General
Appropriation Code 902
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Sub-C - Projects Not Specifically Authorized by Congress (Sec. 205, 1948 Act & Modifications)	5	1	6
Sub-C - Emergency Streamback and Shore- line Protection (Sec. 14, 1946 Act, Modified by Sec. 27, 1974 WRDA)	5	1	7
Sub-C - Snagging and Clearing	5	1	8
Class - Reservoirs	5	2	0
Class - Dam Safety Assurance	5	4	0
Category - Multiple Purpose Power Projects	6	0	0
* Class - Dam Safety Assurance	6	4	0
Category - Miscellaneous	7	0	0
Class - Recreation Facilities <u>at</u> Completed Projects	7	1	0
Sub-C - Sanitation Facilities - Non- Cost Sharing	7	1	1
Sub-C - Five-Year Program Funds	7	1	2
Sub-C - Cost Sharing	7	1	3
Class - Small Authorized Projects	7	2	0
Class - Fish and Wildlife Studies (U. S. Fish and Wildlife Service)	7	3	0
Class - Aquatic Plant Control	7	4	0
Class - Employees Compensation Fund (Payments to Department of Labor (74 Stat. 906))	7	5	0

20-I-25

APP 20-I

ER 37-2-10
Change 53
29 Nov 84

96X3122 Construction, General
Appropriation Code 902
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Class - Land Acquisition Fund	7	6	0	
Class - Streambank Erosion Control Evaluation and Demonstration (Sec. 32, 1974 Act)	7	7	0	
Class - Shoreline Erosion Control Demonstration (Sec. 54, 1974 Act)	7	8	0	
Category - Rehabilitation	8	0	0	
Class - Major Rehabilitation	8	1	0	
Sub-C - Navigation Projects	8	1	2	
Sub-Sub-C - Channels and Harbors	8	1	3	
Sub-Sub-C - Locks and Dams	8	1	4	
Sub-C - Flood Control Projects	8	1	5	
Sub-Sub-C - Local Protection Projects Specifically Authorized by Congress	8	1	6	
Sub-Sub-C - Reservoirs	8	1	7	
Sub-C - Multiple Purpose Power Projects	8	1	8	
Class - Minor Rehabilitation	8	2	0	
* Category - EPA Construction General Reimbursable Activity	9	0	0	
Class - TFA72 EPA Superfund - Management and Support Activity	9	1	0	*
Sub-C - OCE (Reserved for use by OCE/FASO)	9	1	1	
Sub-C - FOAs (Already in 911 OCE)	9	1	2	

APP 20-I

20-I-26

BEST COPY AVAILABLE

96X3122 Construction, General
Appropriation Code 902
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Class - TFA72 EPA Superfund - Technical Assistance	9	2	0	
Sub-C - Field Investigations	9	2	1	
Sub-C - Feasibility Study	9	2	2	
Sub-C - Hazardous Waste Enforcement Support	9	2	3	
Sub-C - Flood Plain Studies	9	2	4	
Sub-C - Mapping and Surveys	9	2	5	
Sub-C - Remedial Investigations/Feasibility Studies (RIFS)	9	2	6	
* Sub-C - Emergency Technical Assistance	9	2	7	*
Class - TFA72 EPA Superfund - Design	9	3	0	
Sub-C - Remedial Response	9	3	1	
Sub-C - Emergency Response	9	3	2	
Sub-C - First Phase Design	9	3	3	
Sub-C - Technical Assistance - EPA Design	9	3	4	
Class - TFA72 Superfund - Construction	9	4	0	
Sub-C - Remedial Response	9	4	1	
Sub-C - Emergency Response	9	4	2	
Class - TFA72 EPA Superfund - Other	9	5	0	
Sub-C - Remedial Response	9	5	1	
Sub-C - Emergency Response	9	5	2	
Class - EPA Construction Grants Program - Division and EPA Region	9	6	0	
Sub-C - HQUSACE (FASO)	9	6	1	
Sub-C - NED - EPA Region 1	9	6	2	

ER 37-2-10
Change 55
28 Jun 85

96X3122 Construction, General
Appropriation Code 902
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Sub-C - NAD - EPA Region 2	9	6	3
Sub-C - NAD - EPA Region 3	9	6	4
Sub-C - SAD - EPA Region 2	9	6	5
Sub-C - SAD - EPA Region 4	9	6	6
Sub-C - ORD - EPA Region 3	9	6	7
Sub-C - ORD - EPA Region 4	9	6	8
Sub-C - ORD - EPA Region 5	9	6	9
Class - EPA Construction Grants Program - Division and EPA Region	9	7	0
Sub-C - NCD - EPA Region 5	9	7	1
Sub-C - LMV - EPA Region 4	9	7	2
Sub-C - LMV - EPA Region 6	9	7	3
Sub-C - SWD - EPA Region 6	9	7	4
Sub-C - MRD - EPA Region 7	9	7	5
Sub-C - MRD - EPA Region 8	9	7	6
Sub-C - POD - EPA Region 9	9	7	7
Sub-C - SPD - EPA Region 9	9	7	8
Sub-C - NPD - EPA Region 10	9	7	9
Class - EPA Construction Grants Program - Division and EPA Region	9	8	0
Sub-C - Other Federal Engineer Activities	9	8	1
Sub-C - Other Federal Engineer Activities	9	8	2

96X3122 Construction, General
Appropriation Code 902
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Sub-C - Other Federal Engineer Activities	9	8	3	
Sub-C - Other Federal Engineer Activities	9	8	4	
Sub-C - Other Federal Engineer Activities	9	8	5	
Sub-C - Other Federal Engineer Activities	9	8	6	
Sub-C - Other Federal Engineer Activities	9	8	7	
Sub-C - Other Federal Engineer Activities	9	8	8	
Sub-C - Other Federal Engineer Activities	9	8	9	
Class - Emergency Disaster Operations	9	9	0	
Sub-C - PL 93-288 Disaster Assistance	9	9	1	
Sub-C - PL 84-99 Emergency Operations	9	9	2	
Sub-C - PL 84-99 Rehabilitation	9	9	3	
* Sub-C - PL 84-99 Advance Measures	9	9	4	*

96X3123 Operation and Maintenance, General, Corps of Engineers
Civil Appropriation Code 903

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
* Category - Navigation	1	0	0	
Class - Channels and Harbors	1	1	0	
Sub-Class - Regular Channels and Harbors	1	1	1	
Sub-Class - Great Lakes Diked Disposal	1	1	2	
Sub-Class - Mitigation of Shore Damages (Sec. 11)	1	1	3	
Sub-Class - Major Rehabilitation of Channels and Harbors	1	1	4	
Class - Locks and Dams	1	2	0	
Sub-Class - Major Rehabilitation of Locks and Dams	1	2	1	
Sub-Class - Cost Shared Recreation Develop- ment on Locks and Dams	1	2	2	
Category - Flood Control	2	0	0	
Class - Reservoirs	2	1	0	
Sub-Class - Scheduled Reservoir Operations	2	1	1	
Sub-Class - Major Rehabilitation on Reservoir Projects	2	1	2	
Sub-Class - Cost Shared Recreation Develop- ment on Reservoir Projects	2	1	3	
Class - Channel Improvements, Inspections, and Miscellaneous Maintenance	2	2	0	
Sub-Class - Inspection of Completed Works	2	2	1	
Sub-Class - Inspection of Completed PL-99 Works	2	2	2	
Sub-Class - Major Rehabilitation on Channel Improvement Projects	2	2	3	
Sub-Class - Cost Shared Recreation Develop- ment on Channel Improvement Projects	2	2	4	*

ER 37-2-10
Change 53
29 Nov 84

96X3123 Operation and Maintenance, General,
Corps of Engineers (Cont'd)
Civil Appropriation Code 903

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
* Category - Multiple Purpose with Power	3	0	0
Class - Major Rehabilitation on Multiple Purpose with Power Projects	3	1	0
Class - Cost Shared Recreation Development on Multiple Purpose with Power Projects	3	2	0
Category - Protection of Navigation	4	0	0
Class - Removal of Sunken Vessels and Navigation Obstructions	4	1	0
Class - Protection, Clearing, and Straightening of Channels on Navigable Waters - Projects Not Requiring Specific Authorization	4	2	0
Class - Prevention of Obstructive and Injurious Deposits	4	3	0
Class - General Regulatory Functions	4	4	0
Class - Drift Removal	4	5	0
Class - Removal of Aquatic Growth	4	6	0
Class - Project Condition Surveys	4	7	0
Class - Surveillance of Northern Boundary Waters	4	8	0
Class - Waterborne Commerce Statistics	4	9	0
Category - National Emergency Preparedness Program	5	0	0
Class - Mobilization Preparedness	5	1	0
Class - Continuity of Government Preparedness	5	2	0
Class - Emergency Water Preparedness	5	3	0
Class - National Emergency Facilities	5	4	0 *

APP 20-I

20-I-28

748

BEST COPY AVAILABLE

ER 37-2-10
Change 53
29 Nov 84

96X3123 Operation and Maintenance, General,
Corps of Engineers (Cont'd)
Civil Appropriation Code 903

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
* Class - Continuity of Government Preparedness	5	2	0	
Class - Emergency Water Preparedness	5	3	0	
Class - National Emergency Facilities	5	4	0	*

20-I-28a

96(-)3124 General Expenses, Corps of Engineers, Civil
Appropriation Code (9-5)*

	Category	Class	Sub-C	
Category - Executive Direction and Management	1	0	0	
Class - Office, Chief of Engineers	1	1	0	
Sub-C - Policy Formulation Studies - IWR	1	1	1	
Sub-C - Training - Executive Development and Management - Institute for Water Resources	1	1	2	
Sub-C - Training - Executive Development and Management - Waterways Experiment Station	1	1	3	
Sub-C - Training - Executive Development and Management - Office, Chief of Engineers	1	1	4	
Sub-C - Technical Committees	1	1	5	
Class - Division Offices	1	2	0	
Class - Training - Executive Development and Management - Division Offices	1	4	0	
Class - Engineer Automation Support Agency	1	5	0	
Sub-C - Training - Executive Development and Management - Engineer Automation Support Agency	1	5	1	
Class - Water Resources Support Center	1	6	0	
Sub-C - Training - Executive Development and Management - Water Resources Support Center	1	6	1	
* Class - Humphreys Engineer Center Support Activity	1	7	0	*
Category - Board of Engineers for River and Harbors	2	0	0	
Class - Board of Engineers for Rivers and Harbors	2	1	0	
Class - Training - Executive Development and Management - Board of Engineers for Rivers and Harbors	2	2	0	
* Category - Coastal Engineering Research Board (WES)	3	0	0	
* Class - Coastal Engineering Research Board	3	1	0	
Class - Training - Executive Development and Management - Coastal Engineering Research Board	3	2	0	

* The second digit of this appropriation code represents the Fiscal Year designated in the appropriation symbol; i. e., 9683124 is 985; 9693124 is 995; 9603124 is 905; etc.

96(-)3124 General Expense, Corps of Engineers, Civil (Cont'd)
Appropriation Code (9-5)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Category - Commercial Statistics	4	0	0
Class - Waterborne Commerce Statistics Center	4	1	0
Class - District Offices	4	2	0
Class - Board of Engineers for Rivers and Harbors	4	3	0
Category - Special Investigations	5	0	0

APP 20-I

20-I-29a

ER 37-2-10
Change 47
30 Apr 82

96X3112 Flood Control, Mississippi River Tributaries
Appropriation Code 908

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
Category - General Investigations	1	0	0	
Class - Surveys	1	1	0	
Sub-C - Navigation	1	1	1	
Sub-C - Flood Damage Prevention	1	1	2 <u>2/</u>	
Class - Collection & Study of Basic Data	1	2	0	
Sub-C - Surveys, Gages and Observations	1	2	1	
Class - Supplemental Pre-Authorization Studies (Phase I)	1	3	0 <u>1/</u>	
Sub-C - Navigation	1	3	1	
Sub-C - Flood Damage Prevention	1	3	2	
* Class - Continuation of Planning and Engineering	1	4	0	
Sub-C - Navigation Projects	1	4	1	
Sub-C - Flood Control Projects	1	4	2	
Class - Planning and Engineering Under Proposed Legislation	1	5	0	
Sub-C - Navigation Projects	1	5	1	
Sub-C - Flood Control Projects	1	5	2	
Class - Advance Engineering and Design	1	6	0	
Sub-C - Navigation Projects	1	6	1	*

1/ Effective 1 October 1978
Replaces Codes 230-232

2/ Title Change Effective
1 October 1978

APP 20-I

20-I-30

ER 37-2-10
Change 47
30 Apr 82

96X3112 Flood Control, Mississippi River and Tributaries
Appropriation Code 908
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
* Sub-C - Flood Control Projects	1	6	2	*
Category - Advance Engineering and Design	2	0	0	
Class - Navigation - Fully Authorized	2	1	0	
Class - Flood Control - Fully Authorized	2	2	0	
Class - Projects Authorized for Phase I Advance Engineering and Design and Approved for AE&D After Completion of Phase I	2	4	0	
Sub-C - Navigation	2	4	1	
Sub-C - Flood Control	2	4	2	
Category - Construction	3	0	0	
Class - Navigation	3	1	0	
* Sub-C - Dam Safety Assurance	3	1	4	
Class - Flood Control	3	2	0	
Sub-C - Dam Safety Assurance	3	2	4	*
Class - Streambank Erosion Control Evaluation and Demonstration	3	3	0	
Category - Maintenance	4	0	0	
Class - Navigation	4	1	0	
Class - Flood Control	4	2	0	

20-I-30a

APP 20-I

ER 37-2-10
Change 47
30 Apr 82

96X31i2 Flood Control, Mississippi River and Tributaries
Appropriation Code 908
(Continued)

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Category - Special Operations	5	0	0
Class - Emergency Disaster Operations	5	9	0
Sub-C - PL 93-288 Disaster Assistance	5	9	1
Sub-C - PL 84-99 Emergency Operations	5	9	2
Sub-C - PL 84-99 Rehabilitation	5	9	3
Category - Miscellaneous	7	0	0
Class - Recreation Facilities	7	1	0
Sub-C - Sanitation Facilities Non-Cost Sharing	7	1	1
Sub-C - Cost Sharing	7	1	3
Category - Rehabilitation	8	0	0
Class - Major Rehabilitation	8	1	0
Sub-C - Navigation	8	1	2
Sub-C - Flood Control	8	1	5

96X3125 Flood Control and Coastal Emergencies
Appropriation Code 910

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
* Category - Disaster Preparedness Program	1	0	0
Class - Corps Statutory Authorities	1	1	0
Class - Activities in Support of Others	1	2	0
Class - Facilities	1	3	0
Class - Inspections	1	4	0
Category - Emergency Operations	2	0	0
Class - Flood Fight and Rescue Operations	2	1	0
Class - After Action Reporting	2	2	0
Class - Field Investigations	2	3	0
Category - Rehabilitation	3	0	0
Class - Federal Flood Control Works	3	1	0
Class - Non-Federal Flood Control Works	3	2	0
Class - Federal Hurricane and Shore Protection Projects	3	3	0
Class - Field Investigations	3	4	0
Category - Emergency Water Supplies and Drought Assistance	4	0	0
Class - Emergency Water Supplies (Contaminated Sources)	4	1	0
Class - Drought Assistance	4	2	0
Class - Field Investigations	4	3	0
Category - Advance Measures	5	0	0
Class - Advance Measures Assistance	5	1	0
Class - Field Investigations	5	2	0 *

20-I-30c

APP 20-I

ER 37-2-10
Change 53
29 Nov 84

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>	
* Category - Hazard Mitigation	6	0	0	
Class - Hazard Mitigation Team Activities	6	1	0	*

*

96X5125 Maintenance and Operation of Dams and
Other Improvements of Navigable Waters
Appropriation Code 952

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Category - Navigation	1	0	0
Class - Channels and Harbors	1	1	0
Class - Locks and Dams	1	2	0

ER 37-2-10
Change 47
30 Apr 82

96X5125 Maintenance and Operation of Dams and
Other Improvements of Navigable Waters (Cont'd)
Appropriation Code 952

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Category - Flood Control	2	0	0
Class - Reservoirs	2	1	0
Class - Channel Improvements, Inspection, and Miscellaneous Maintenance	2	2	0
Category - Multiple-Purpose Power Projects	3	0	0
Category - Protection of Navigation	4	0	0
Class - Removal of Sunken Vessels & Navigation Obstructions	4	1	0
Class - Protecting, Clearing, and Straightening Channels of Navigable Waters, Projects not Requiring Specific Authorizations (Sec 3)	4	2	0
Class - Prevention of Obstructive and Injurious Deposits	4	3	0
Class - General Regulatory Functions	4	4	0

96X8862 Rivers and Harbors Contributed Funds
Appropriation Code 980

	<u>Category</u>	<u>Class</u>	<u>Sub-C</u>
Category - Required Contributed Funds	1	0	0
Category - Contributed Funds	2	0	0
Category - Contributed Funds, Other	3	0	0

*

20-I-30d

APP 20-I

ER 37-2-10
Change 47
30 Apr 82

Miscellaneous Appropriations

The appropriation coding is shown below for the following appropriations which do not have any further classification levels.

<u>Appn Symbol</u>	<u>Appn Code</u>	<u>Appropriation Title</u>
96X5066	950	Hydraulic Mining in California, Debris Fund
96X5090	951	Payments to States, Flood Control Act of 1954
96X8869	981	Rivers and Harbors Advance Funds

* APP 20-I

20-I-30e

APPENDIX 20-II

ER 37-2-10
Change 22
29 Jun 73Verification ListEstablishing Relationships Between Revolving Fund Trial Balances (RCS DAEN-
ECF-1(R1) and Obligations Data (SF 225).1. Reconcile Accounts Payable and Disbursements

Accounts payable balance, start of year.(GL 341)	(+)	
Less: Gross disbursements, FY to date (SF 1220)	(-)	
Add: Gross accrued expenditures, FY to date (Accrued expenditure register)	(+)	
Adjustments, FY to date	(±)	
Accounts payable balance, end of period (GL 341)	(+)	

2. Compute Net Accrued Expenditures and Obligations

Gross accrued expenditures, as above	(+)	
Less: Sales to other districts RF, FY to date (EAM Code 798, Col 5, ENG 3021)	(-)	
Net accrued expenditures	(+)	
Net change in undelivered orders, FY to date	(+)	
Total obligations	(+)	

3. Reconcile Funded Expenses, Capital Outlay, Etc.
with Total Obligations

Operating expenses balance (GL 415), end of period	(+)	
Less: Depreciation accruals, FY to date (EAM 132, ENG 3017c-1)	(-)	
Insurance premiums (CA 495.8), FY to date (EAM 566, ENG 3017)	(-)	
Sales to other dist RF, FY to date, as above	(-)	
Inventory issues charged to expense (CA 431, Col 3)	(-)	
Labor charged to expense (420.- 469.- series) <u>See Note 1</u>	(-)	
Plant replacement increment (GL 330 credits, EAM 350, ENG 3017)	(-)	
Other nonfunded expense charges (Specify)	(-)	
	(-)	
Funded expenses, FY to date	(+)	

<u>Other funded charges:</u>	
Capital outlay (EAM 145, ENG 3017c-1), Disposal costs (EAM 154, ENG 3017c-1)	(+)
Inventory procurement, FY to date (CA 480.-, EAM 222, ENG 3046)	(+)
* Advances (GL 316), transactions, FY to date	(+)
<u>Miscellaneous:</u>	
Insurable damages (495.- series); Nonoperating losses (490.- series); and direct charges to deferred accounts (483.- series) <u>See Note 2</u>	(+)
Net accrued expenditures	(+)
Change in undelivered orders, FY to date	(±)
Total obligations (Sect I, SF 225 and 2 above)	(±)
<u>4. Compute Sect II, SF 225</u>	
Sales (GL 401 less 401.1), FY to date	(+)
Nonoperating income, FY to date (490.- series) <u>See Note 3</u>	(+)
Unfilled orders, end of period balance (EAM 893, ENG 3017)	(+)
Total, Sect II, SF 225	(+)
<u>5. Compute Sect III, SF 225</u>	
(Enter net difference between totals 3 and 4 above)	(±)
<u>6. Compute Sect V, SF 225 (END OF PERIOD BALANCES)</u>	
Accounts receivable (GL 313, EAM 180, 190, 210, ENG 3017)	(-)
* Prepayments and advances (GL 316, EAM 250, 270, ENG 3017)	(-)
Work in progress (GL 317, EAM 280, 290, 300, ENG 3017)	(-)
Unfilled orders (EAM 893, ENG 3017)	(-)
Undelivered orders (EAM 890, ENG 3017)	(+)
Accounts payable (GL 341, EAM 460, 470, 480, ENG 3017)	(+)
Advances for services (GL 343, EAM 510, ENG 3017)	(+)
Accrued leave (GL 345, EAM 530, ENG 3017)	(+)
Capital adjustments for accrued leave (GL 336, EAM 420, ENG 3017)	(-)
Total, Sect V, SF 225	(±)

• Notes:

1. Not applicable to Honolulu District or other offices not receiving central payroll services from MRD.
2. Include for these items only accrued expenditures which are charged directly to these accounts, not cost distributions.
3. Include only income (gross) credited directly to these accounts, not subsequent distributions. •

ENG FORM 4305-R
DEC 69

ER 37-2-10
Change 13
30 Jul 71

APPENDIX 20-III
Keypunch Instructions for Report on Obligations
Source Document: Standard Form 225
(RCS TREAS-1058)

<u>Card Columns</u>	<u>No Cols</u>	<u>Type Data</u>	<u>Jus- tify</u>	<u>Remarks</u>
1	1	A		Punch "C"
2-5	4	N		Month & Calendar Year
6-7	2			Blank
8	1	AN		Fiscal Year Digit of Appropriation Availability
9-12	4	N		Basic Treasury Symbol
13-15	3	AN	L	Blank If Not Applicable
16-18	3	N		Illustration 20/7
19-25	7			Blank
26-32	7	N	R	Total Transactions
33-36	4			Blank
37-43	7	N	R	Within Federal Government Only
44-74	31			Blank
75-77	3	AN		EROC Codes, ER 18-1-12
78-80	3			Blank

Notes:

1. Amount fields will be filled with leading zeroes.
2. Credit entry will be indicated by an 11-zone overpunch in the low-order position of amount field.
3. Amounts in thousands of dollars to the nearest tenth of a thousand.
4. A=Alpha, N=Numeric, L=Left & R=Right

Key punch Instructions for Report on Obligations -
Civil Funds (BCS TREAS -1058)

1. Preparation of Transcript. Data for the transcript are abstracted from the records maintained in accordance with ER 37-2-10 with the following additional notes:

a. Function Code, card column 1. For identification, a functional code of "C" will be used.

b. Reporting Date, card columns 2-5. The four character date will be entered in the form of MMY Y in which MM is 01 through 12, January through December, and YY is the last two digits of calendar year.

c. Appropriation (Fiscal Year, Appropriation Number and Limit Number), card columns 8-15.

(1) Fiscal Year, card column 8. An alphabetic or numeric character denoting the Fiscal Year of availability will be entered at all times in this position.

(2) Appropriation Number, card columns 9-12. This field contains the four numerals of basic appropriation; for example "Construction General, Corps of Engineers. Civil." will be entered as "3122," references Appendix 20-I of this publication, and the Department of the Treasury publication - "Receipt, Appropriation and Other Fund Account Symbols and Titles."

d. Limit Number, card columns 13-15. Data for the limitation number is abstracted from the Advice of Allotment, ENG Form 0-4185, June 68. If there is no limitation, this three position field will be blank.

e. Transaction Codes, card columns 16-18. Codes required to effect the data submission are described in Illustration 20/7.

f. Amount Fields, card columns 26-32 and 37-43. Amounts will be reflected in thousands of dollars to the nearest tenth of a thousand. Fill amount fields with leading zeroes. Credit amount entries are indicated by an 11-zone (X) overpunch in the low-order (right most) position of the respective credit amount field.

g. Engineer Reporting Organization Codes (EROC), card columns 75-77. This three digit code has been standardized for organization identification by the Department of Defense. Use-applicable code published in ER 18-1-12.

CHAPTER 21

DISBURSEMENT AND COLLECTION REPORTS

<u>TOPIC</u>	<u>PARAGRAPH</u>
Special Report of Checks Drawn and Deposits (RCS TREAS - 1057)	21-1
Statement of Accountability (Account Current), SF 1219, (RCS GAO-1002)	21-2
Statement of Transactions According to Appropriations, Funds, and Receipt Accounts, SF 1220	21-3
Report of Transactions - 4 Digit Card Check Accounts	21-4
Reports of Nonreceipt, Loss or Theft of Government Checks	21-5
Report of Receipts from Leases of Land Acquired for Flood Control, Navigation and Allied Purposes (RCS TREAS-1032)	21-6
Report of Real Estate Receipts, (RCS ENGEC-F-8(R1))	21-7
Report to Internal Revenue Service - Rent Payments	21-8
Illustration 21/1, Statement of Transactions According to Appropriations, Funds and Receipt Accounts, SF No. 1220	
Illustration 21/2 Report of Real Estate Receipts ENG Form 3041R	

CHAPTER 21
DISBURSEMENT AND COLLECTION REPORTS

1-1. Special Report of Checks Drawn and Deposits (RCS
REAS-1057)

a. The requirements of this report and control symbol are applicable to all Civil disbursing officers. Whenever conditions of paragraph b, c, or d below, apply, wire reports directly to:

THE OFFICE OF THE FISCAL ASSISTANT
SECRETARY OF THE TREASURY
WASHINGTON, D. C. 20220

b. With respect to deposits totaling \$10 million or more in any one day, wire data as follows:

- (1) Full amount of collection.
- (2) Date deposited.
- (3) Bank and City in which deposited.
- (4) Source of funds.

c. When an individual check is issued for \$10 million or more, wire the following data:

- (1) Date check issued.
- (2) Name of payee.
- (3) City to which check mailed or delivered.
- (4) Amount of check.

d. When it is known in advance that a check to one payee will amount to more than \$25 million, wire the Fiscal Assistant Secretary of the Treasury the approximate amount and date of such payment. Follow up with detailed information when check is issued (para c above). *

ER 37-2-10
Change 45
19 Dec 80

21-2. Statement of Accountability (Account Current), SF 1219, RCS GAO-1002.

a. SF 1219, Statement of Accountability (Account Current) (Original) will be used as the official accountability report by all civil disbursing officers of the Corps of Engineers.

b. The following distribution will be made:

(1) The original will be retained at the site for audit by General Accounting Office auditors.

(2) Copies Nos. 1 and 2 will be submitted to reach HQDA (DAEN-RMF-A), WASH DC 20314 on or before the 6th of the month following the period reported. Whenever the 6th falls on a Saturday, Sunday or holiday, reports will be submitted for the receipt on the morning of the work day immediately preceding the due date. These copies will have, in support of "Part B, Summary of Deposits Confirmed," Section II, two copies of ENG Form 3314, "Schedule of Confirmed Deposits," listing the certificates of deposit and debit vouchers and will be accomplished by two copies of the completed SF 1220, "Statement of Transactions According to Appropriations, Funds, and Receipt Accounts," described in paragraph 21-5 below. An additional signed copy of SF 1219, without supporting documents, will be submitted each year for the month of September.

c. A line-by-line description of the information to be reported in each part of SF 1219 is contained in Appendix A, 7 GAO 7000.

d. Line 6.6 will be titled "Cash in Custody of Travelers" and will represent the balance of General Ledger Account 816 which has been reconciled to the file of DD Forms 1351 representing Outstanding Advances made to authorized travelers.

21-3. Statement of Transactions According to Appropriations, Funds and Receipt Accounts, SF 1220.

a. SF 1220, Statement of Transactions According to Appropriations, Funds, and Receipt Accounts will be prepared by the civil disbursing officers

of the Corps of Engineers in support of their Statements of Accountability, SF 1219, to show a detailed account classification of the disbursements and collections reported in the current accounting period. The disbursing symbol number will be typed in the heading of the form along with changed column headings and other information as shown in Illustration 21/1

b. Information to be shown in the respective columns of SF 1220 will be as follows:

- COLUMN(1)- APPROPRIATION, FUND OR RECEIPT ACCOUNT SYMBOL. In this column will be shown the symbol of the appropriation, fund or receipt account for which the amounts of transactions are being reported. Appropriation, fund and receipt symbols in column (1) of SF 1220 should be arranged in ascending sequence by last four digits of the symbol number. Also subtotal, totals and grand totals will be stated for each group of appropriation and fund symbols as shown in Illustration 21/1
- COLUMN(2)- RECEIPTS. In this column will be shown the amounts of receipt transactions for the accounting period. Receipt transactions will include collections by cash or voucher deduction, which apply only to miscellaneous, special, and trust fund receipt accounts, along with revolving fund accounts (4000-4499; 4902; and 8400-8499); and the clearing account FO101 for "Withheld Individual Income and F.I.C.A. TAXES," and will be net of any uncollectible (dishonored check) items and any related adjustment transactions.
- COLUMN(3)- GROSS DISBURSEMENTS. Amount of gross disbursements for only the Revolving Fund, 96X4902, will be shown in this column.
- COLUMN(4)- NET DISBURSEMENTS. In this column will be shown the amount of net disbursements chargeable to the appropriation or fund account (including deposit, special and trust fund expenditure accounts) identified in column (1), with exception as stated hereafter. For the clearing account FO101, "Withheld Individual Income and F.I.C.A. Taxes," the amounts reported in this column will represent gross disbursements, with no reduction for amounts reflected in column (2).

If more than one page is used to report the account of one agency accounting station, the grand total will be shown on the last page of the state-

ER 37-2-10
Change 25
30 Jun 74

ment. Each complete statement will be signed by the disbursing officer.

c. The certification on the reverse of the statement will be accomplished by the District Comptroller or the Chief, Finance and Accounting Branch, on all copies. Reconciliation with SF 1219 will be accomplished prior to this certification.

d. The following distribution will be made;

(1) After certification as described in subparagraph c above, the original Statement of Transactions will be held for audit and settlement by the General Accounting Office on the same basis as the SF 1219 which it supports.

(2) COPIES NO. 1 and 2 will be submitted to Chief of Engineers, as prescribed in paragraph 21-2b.

21-4. Reports of Transactions - 4 Digit Card Check Accounts.

a. SF 1179, Recapitulation of Block Control Level Totals of Checks Issued, will be prepared by each civil disbursing officer in duplicate for each 4 digit disbursing station symbol reflecting all checks transactions for the preceding month. A negative report will be submitted in the absence of any transactions. SF 1179 will indicate the total for each block of checks by block control level. The entries in lines 1, 2a, 2b and 3 of the summary portion of SF 1179 must agree with entries in columns 2, 3 and 4 of Section II Part A of SF 1219.

* b. The original SF 1179 will be forwarded on or before the 10th of the month following the period being reported to the Treasurer of the United States, Check Accounting Division, Reconciliation Branch, GAO Bldg., Washington, D. C. 20226. The disbursing activity will stamp or print, in large letters on the outside of the wrapper, the month and year of the issue transactions which each package contains. * The duplicate will be retained in the Finance and Accounting Office. Office. Carbon copies or detailed listings of checks issued should be submitted to the Treasurer of the United States in support of SF 1179.

21-5. Reports of Nonreceipt, Loss or Theft of Government Checks.

a. All reports of nonreceipt, loss or theft of checks should be referred to the disbursing office where the check was issued. If the disbursing office is no longer in operation, the inquiry should be sent to the central office of the disbursing agency.

b. If the disbursing officer can determine from his records that the check has been paid by the Treasurer of the United States or the appropriate Federal Reserve Bank, he should forward the original papers direct to the Treasurer of the United States, Washington 25, D. C., where the claim will be processed. The claimant should be advised accordingly.

c. If the disbursing officer cannot determine from records in his office whether the check has already been paid and the check has not been canceled or disposed of otherwise, a request should be made upon the Treasurer of the United States to place a stoppage of payment against the check, forwarding with the request the payee's letter and pertinent check information. If, however, the payee alleges nonreceipt prior to the date the check would normally be expected to reach him, the disbursing officer should communicate with the payee to ascertain whether the check has been received before requesting stoppage of payment.

d. The following Standard Forms are prescribed for use by all Government disbursing officers for requesting and removing stoppage of payment on checks drawn directly on the Treasurer of the United States:

- SF 1180, Request for Stoppage of Payment
- SF 1180a, Record of Request for Stop Payment
- SF 1180b, Request for Stoppage of Payment
- SF 1180c, Acknowledgment of Stop Payment Request
- SF 1180d, Advice of Request for Stop Payment
- SF 1180e, Record of Request for Stop Payment
- SF 1181, Request for Removal of Stop Payment
- SF 1181a, Notice to Payee or Claimant
- SF 1181b, Record of Request for Removal of Stop Payment

e. Upon receipt of request for stoppage of payment, the disbursing officer will accomplish SF 1180, certifying as to the correctness of the description of the check and the payee's entitlement to the proceeds. The original and three copies of SF 1180, together with the letter from the payee, will be mailed direct to the Treasurer of the United States, ATTN: Check Claims Division. The fourth copy will be forwarded to the claimant and the fifth copy retained. When stoppage of payment is requested by radiogram or

telegram, the request will contain a complete description of the check. Such requests will be followed immediately by SF 1180 annotated "Confirming telegram (radiogram) dated _____" and accompanied by letter received from the payee of the check. Requests for stoppage will not be forwarded to or through the Chief of Engineers. The Treasurer will return the third copy of SF 1180, noted as to payment status of the check, to the disbursing officer as an acknowledgement of the request for stoppage of payment.

f. Upon determination that the check is outstanding, the Treasurer of the United States will furnish the claimant with appropriate form(s) for obtaining a substitute check. Where the Secretary of the Treasury deems it essential to the public interest, an undertaking of indemnity will be required before a substitute check may be issued. See Treasury Department Circular 327 (Revised), 3 December 1945, as amended. Upon approval of the application or undertaking of indemnity, the Treasurer of the United States will take the necessary action to issue a substitute check.

g. If the payee receives or recovers the original check after he has requested stoppage of payment, but before he receives a substitute check, he should immediately notify the disbursing officer or the Treasurer of the United States of such fact. If the original check is received or recovered after a substitute check has been received, the original will be forwarded to the Chief Disbursing Officer, Treasury Department. Under no circumstances will both checks be cashed.

h. Requests for removal of stoppage, addressed to the Treasurer of the United States, will be prepared on SF 1181, Request for Removal of Stop Payment, by the disbursing Officer. The Treasurer of the United States will not honor a request for removal of stoppage after the Chief Disbursing Officer advises that a substitute check is in the course of preparation.

i. Disbursing Officers will complete SF 1181 to show:

- (1) Date of request to remove stoppage of payment.
- (2) Date stoppage of payment was originally requested.
- (3) Complete description of check.
- (4) Name and current address of claimant.
- (5) A check mark in the appropriate box to indicate circumstances under which stop payment is being removed.

(6) If claimant is other than payee, name of payee will be shown as "Payee _____" beneath name and address of claimant.

j. (1) SF 1181 will be processed when the check is received or recovered by the Disbursing Officer prior to receipt of TD Form 1761, Notice to Disbursing Office - Substitute Check Action. In these cases, the check will be remailed to payee or claimant without further advice from the Treasurer, if entitlement to proceeds of the check still exists.

(2) SF 1181 will be processed when the check is received or recovered by the Disbursing Officer after receipt of TD Form 1761. The check will be forwarded with SF 1181 to the Chief Disbursing Officer, Division of Disbursement, Treasury Department. The payee or claimant will not be furnished a copy of SF 1181.

(3) SF 1181 will be processed when the check has been received or recovered by the payee or claimant, and TD Form 1761 has not been received by the Disbursing Officer. In these cases, the payee's copy of SF 1181 informs him that the check may be negotiated.

(4) SF 1181 will be processed when the check has been received by payee or claimant and the disbursing officer has received TD Form 1761. In these cases, the payee's copy of SF 1181 cautions him that stoppage of payment will remain in effect until either the substitute or original check is forwarded to the Chief Disbursing Officer. The Treasurer will not remove stoppage until circumstances warrant.

(5) If the disbursing officer received TD Form 1761 after SF 1181 has been processed and the check remailed, he will take no further action. The Treasurer will process the case to its conclusion and control both original and substitute check action so far as possible.

21-6. Report of Receipts from Leases of Land Acquired for Flood Control, Navigation and Allied Purposes (Reports Control Symbol Treas 1032). A report of receipts from leases of land acquired for flood control, navigation and allied purposes will be submitted annually to HQDA (DAEN-RMF-A) Wash DC 20314 on or before 20 October following the fiscal year being reported. The information for this report, derived from records for such collections being maintained as prescribed by paragraph 4-93, ER 37-2-10, will be broken down by state, county and project. The format of the report is as follows:

REPORT OF RECEIPTS FROM LEASES OF LAND ACQUIRED FOR FLOOD CONTROL, NAVIGATION AND ALLIED PURPOSES (RCS TREAS 1032)

* TO: HQDA (DAEN-RMF-A)
WASH DC 20314

FROM: (Field Operating Activity and
Address)

*

ER 37-2-10
Change 45
19 Dec 80

<u>LOCATION</u>	<u>STATE</u>	<u>TOTAL AMOUNTS COLLECTED</u>	
		<u>COUNTY</u>	<u>PROJECT</u>
State	\$xx. xx		
County		\$xx. xx	
Project			\$xx. xx
Project			xx. xx
County		xx. xx	
Project			xx. xx

The "Total Amounts Collected" will include all collections made by the disbursing officer together with any amounts deposited by other agencies for the credit of a Corps of Engineers disbursing officer. The total reported for Special Receipt Accounts 965090 must agree with the amounts reflected on SF 1220, Statement of Transactions for the Fiscal Year. Letter of transmittal is not required.

- * 21-7. Report of Real Estate Receipts, (RCS DAEN-RMF-8(R1)). An annual report of real estate receipts will be submitted as of 30 September each fiscal year to reach HQDA (DAEN-RMF-A) WASH DC 20314 by 20 October. Whenever the 20th falls on a Saturday, Sunday or holiday, reports will be submitted for receipt on the morning of the work day immediately preceding the due date. The reports (ENG Form 3041-R, Illustration 21/2) will reflect activity rounded to the nearest dollar. Totals will be shown for each line, column, and section of the form. Separate reports are required for receipts related to Army Military, Civil Works, Air Force, and Other Agencies activities. The appropriate box in the subheading of the form will be checked. Separate negative reports for each of the fund types need not be submitted, but may be noted in the remarks section of sheet 1 of an active report. The reports will include data for the following:

a. All real estate receipts collected for deposit to "General Fund Receipts" or "Special Fund" accounts (including those collections temporarily held in "Unapplied Deposits").

b. Telephone and telegraph receipts collected and reported to Divisions and Districts on Cash Collection Voucher, DD Form 1131.

c. Trailer sites receipts collected and reported to Divisions and Districts on Cash Collection Voucher, DD Form 1131.

d. Receipts collected from use of real estate without benefit of formal instrument.

21-7

21-8

- 21-8. Report to Internal Revenue Service. In accordance with the provisions of para 1.6041-1, Title 26, Code of Federal Regulations (26 CFR 1-6041-1), the Internal Revenue Service (IRS) will be informed of payments which are fixed and determinable made to persons in the amount of \$600 or more in a calendar year. For reporting purposes a partnership is considered to be a "person" (26 USC 7701). Payments are fixed and determinable whenever there is a basis of calculation
- by which the amount may be ascertained. Reportable payments include salaries, wages, commissions, fees and other forms of compensation, interest, rents, royalties, annuities, pensions, and other gains, profits and income whether or not such payments are made pursuant to a formal written contract. Exclusions include payments made to corporations, payment of bills for merchandise, telegrams, telephone, freight, storage and similar charges, payments of rent made to real estate agents, and payments of income required to be reported on Forms W-2, W-3 or other forms listed in 26 CFR 1.6041-3 which contains a complete list of exclusions. Information will be shown on TD Forms 1096 (U. S. Annual Information Return) and 1099 (U.S. Information Return for Calendar Year) due IRS not later than 28 February of following calendar year (26 CFR 1.6041-5). Forms may be obtained from IRS offices or requisitioned from OCE publications depot.

STATEMENT OF TRANSACTIONS ACCORDING TO APPROPRIATIONS, FUNDS, AND RECEIPT ACCOUNTS In Support of Statement of Accountability			
OF John Doe, Disbursing Officer		DEPT. OR AGENCY Department of the Army	
LOCATION Summerville, USA		BUREAU Corps of Engineers	
PERIOD 1-31 October 19--		OFFICE OR STATION Summerville District DISBURSING SYMBOL NO. 5555	
APPROPRIATION, FUND, OR RECEIPT SYMBOL (1)	RECEIPTS (2)	GROSS DISBURSEMENTS (3)	Net GROSS DISBURSEMENTS (4)
96X3112			7,375.89
96X3121			7,169.44
96X3122			6,197,201.80
96X3123			383,545.19
9613124			-1,537.50
9623124			72,286.19
9614902	(a) (2,292,596.82)	(a) (2,280,938.77)	-11,658.05
Total Civil Functions	(a)	(a)	6,654,622.96
96-49X0100			79,410.69
96-19X1006			38,709.00
96-14X1612			20,425.97
96-14X2301			50.00
Total Transfer Funds			138,595.66
96X8330			-150.00
96X8862			11,566.00
96X8869			1,430.00
Total Trust Funds			12,846.00
96X6050			306.25
96X6070			-8,990.56
96X6302			-4,382.75
96X6875			-10,513.44
Total Deposit Funds			-23,580.50
Total Expenditure Accts	(a)	(a)	6,782,484.12
RECEIPT ACCOUNTS			
96F0101	1,897.08		6,008.00
960821	179.90		
961830	80.00		
965090	150.00		
968862	1,899.00		
968969	789.00		
Total General Funds	3,097.90		
Total Receipt Accounts	4,994.98		6,008.00
(a) Amounts in columns (2) and (3) for the Revolving Fund are "non add" items and will not be included in columnar totals.			
TOTALS	(a) 4,994.98	(a)	6,788,492.12
DATE 3 November 19--		SIGNATURE AND TITLE JOHN DOE, Disbursing Officer	

REPORT OF REAL ESTATE RECEIPTS					REPORTS CONTROL SYMBOL ENREC-F-2(R1)	
TO: Chief of Engineers ATTN: ENGEC-FA Department of the Army Washington, D. C. 20315			FROM:		PERIOD COVERED (From and To dates)	
THIS REPORT COVERS: ☐ ARMY MILITARY ☐ ARMY CIVIL WORKS ☐ AIR FORCE ☐ OTHER AGENCY						
SECTION I - RECEIPTS FROM SALES						
LANDS	BUILDINGS AND IMPROVEMENTS	TIMBER	SAND, GRAVEL AND STONE QUARRY PRODUCTS	CROPS	TOTAL	
SECTION II - RECEIPTS FROM LEASES, EASEMENTS, LICENSES AND PERMITS						
PURPOSE	LEASES	EASEMENTS	LICENSES	PERMITS	TOTAL	
Agriculture						
Banking						
Commercial Concession						
Education						
Fish and Wildlife						
Grazing						
Housing						
Industrial						
Private Floating Facilities						
Private Recreation						
Public Park and Recreation						
Quasi-Public Recreation						
Rights of Way						
Storage						
Telephone Pay Stations						
Other						
TOTAL						
REMARKS						

ENG FORM 3041-R
OCT 67 ILLUSTRATION

EDITION OF 1 SEP 61. (This form is authorized for local reproduction, your local lands management officer has blank master)

SHEET OF SHEETS

CHAPTER 22

REVOLVING FUND, FINANCIAL REPORTS

<u>TOPIC</u>	<u>PARAGRAPH</u>
General	22-1
a. Purpose	
b. Policy	
c. Verification of Data	
d. Submission	
e. Due Dates of Reports	
f. Fiscal Year-end Requirements	
Trial Balance of General Ledger and Summary of Transactions, Report No. 1	22-2
a. Purpose and Scope	
b. Description	
Schedule - Plant, Properties and Equipment, Report No. 4	22-3
a. Purpose and Scope	
b. Description	
Statement of Results from Operation, Report No. 2	22-4
a. Purpose and Scope	
b. Description	
c. Reporting of S&A Costs	
Analysis of Warehouse Stocks, Accounts Receivable, Military Construction Supervision and Administration Account, Report Nos. 5, 7, and 8	22-5
a. Purpose and Scope	
b. Description	
Forecast of Fund Availability, ENG Form 3739	22-6
a. Purpose	
b. Frequency	
c. Description	
Fiscal Year-end Certification and Supporting Schedules	22-7
Illustration 22/1 Schedule A - Work in Progress	
Illustration 22/2 Schedule B - Plant Operating Balances	
Illustration 22/3 Schedule C - Other Deferred and Undistributed Items	
Illustration 22/4 Schedule D - Inter-District Transfers	

ER 37-2-10
Change 53
29 Nov 84

TOPIC

- Appendix A - Revolving Fund Reconciliations and Edit Verification Formulas
- Appendix B - Card Formats for Revolving Fund and Military Construction S&A Account Reports

CHAPTER 22

REVOLVING FUND, FINANCIAL REPORTS

22-1. General.

a. Purpose. The Revolving Fund reporting system (RCS DAEN-RMF-1(R2)), provides for furnishing performance data to enable review of operations. Consolidated statements are prepared from these reports for the Office of Management and Budget and Treasury Department. The reports are also used for management and control of funds and for the preparation of estimates for inclusion in the Budget of the United States.

b. Policy. It is important that reports submitted to the Office of Management and Budget and Treasury Department contain accurate and consistent data. Feeder data for such reports are provided in the Revolving Fund reports submitted by field offices to CDR USACE (DAEN-RMF-C), WASH DC 20314-1000.

c. Verification of Data. Data contained in the Revolving Fund reports include accrued expenditures applied to the general ledger and cost accounts, as well as other costs (non-funded).

(1) Submission of the data is subjected to three types of editing prior to acceptance by OCE. Any errors detected must be corrected by the office submitting the reports and the entire submission re-input for acceptance. The first edit insures that data is punched in the proper columns, valid EROC is included, amount fields are numeric, and that the proper field IDs are submitted for each report. The second validation proofs all total and subtotal EAMs to the appropriate detail EAMs by field ID within each report. The third validation is a reconciliation of related data between the individual reports. See appendix 22-A for the specific reconciliation formulas.

(2) Finance and Accounting Officers will assure that source data and punch cards are verified and reconciled prior to submission. COEMIS programs 203P566X and 203P567A should be used in this verification and reconciliation.

d. Submission. Reports will be prepared for the periods ending 31 December, 31 March, 30 June and 30 September of each fiscal year. The quarterly reports will be prepared and submitted in accordance with appendix 22-B.

e. Due Dates of Reports Described in this Chapter. These are quarterly reports. Data transmissions should be received at the U.S. Army Engineer Automation Support Activity (EASA) on or before 0800 hours on the 15th day of the month following the end of each quarter. When the due dates fall on a Saturday, Sunday or holiday, the reports will be submitted in sufficient time to ensure receipt by 0800 hours of the work day immediately preceding the due dates. CDR USACE (DAEN-RMF-C) will obtain required information from the data transmitted to EASA.

f. Fiscal Year-end Requirements.

(1) Prior to preparation of reports, the following adjustment and/or close-out of accounts will be made.

(a) The book cost as reported on ENG Form 4-R (Monthly Report of Receipts and Issue of Material and Supplies) will be reconciled with the balance shown in the warehouse stock accounts and any necessary adjustments will be entered in the accounts.

(b) Plant Acquisition Work Orders and Plant Retirement Work Orders will be reviewed to ascertain that all completed jobs are cleared from the accounts.

(c) The comparison of balances of cost accounts in the VW95.-series and adjustment between general ledger (GL) accounts 351 and 338 (if applicable) will be accomplished as required by para 7-12.

(2) The value, at payroll earning rates, of accrued annual and shore leave due employees, whose labor costs are charged at effective time rates will be computed as of end of last complete pay period ending in Sep. Report No. 1 (Trial Balance) under EAM Code 897.

(3) Subsequent to preparation of the reports the following adjustments and/or close-out of the accounts using COEMIS Revolving Fund Fiscal Year Close-out Program 203P565X will be made:

(a) Balances of general ledger accounts 401, 414, and 415 will be closed into general ledger account 337 as of 30 Sep of the fiscal year. Year-end balances of cost accounts in the VW22-69 series will be transferred to "Results from Prior Year Operations." The total of the balances so transferred will be in agreement with the balance carried forward to the new fiscal year for general ledger account 337. Current year adjustments related to prior year transactions in the VW22-69 series will be recorded as a current year entry in the "Joint Cost Credits" (GL 415) column of the appropriate accounts. The opening balances as previously reported as of fiscal year ending 30 Sep will not be retroactively changed.

(b) In carrying forward the balances to new fiscal year for accounts VW25.-, "Warehouse Operating Expenses" and VW26.-, "Cost of Materials Consumed and Sold," a single balance, representing the net of prior year balances of the two accounts, will be established for account VW25.-.

(c) As the opening entry of a fiscal year, by entry in "joint cost credits" (GL 415) column, the amount of the brought forward balance of cost account VW27.-, "Salvage Operations" will be transferred to cost account VW90.9, "Other Net Nonoperating Income or Loss" (GL 338).

22-2. Trial Balance of General Ledger and Summary of Transactions, Report No. 1.

a. Purpose and Scope. For purposes of review, managerial analysis and report preparation, information is periodically required as to status of balances and transactions recorded in the general ledger control accounts and like significant detail data included in selected cost accounts. Report No. 1 (Trial Balance) is used at District and Division level to ascertain status of accounts, determine progress of work, and establish areas wherein corrective action may be required. The report is used at Office, Chief of Engineers for overall review of operations, for internal reporting requirements and as source data for reporting to higher authority.

b. Description. Report No. 1 requires the following:

(1) Account balances at the beginning of the fiscal year.

(2) Gross debit and gross credit transactions during the current fiscal year to date.

(3) The account balances at the end of the reporting period.

(4) For purposes of analysis, cancellations or reverse adjustments of transactions should be shown as decreases or net change of the original entry rather than a contra entry.

Example: (a) Cancellation of an accounts receivable will be shown as a decrease in the transaction during fiscal year to date "debit column 3" of EAM Code 180, 190 or 210. Collection of accounts receivable will be shown in "credit column 4."

Example: (b) Cancellation of accounts payable document will be shown as a decrease in the transaction fiscal year to date "credit column 4" of EAM Code 460, 470, or 480. Payment will be shown in "debit column 3."

Example: (c) An adjustment to reduce the amount computed for the provision for Plant Replacement should be a decrease in the transaction fiscal year to date "credit column 4" of EAM Code 350. Transfers to OCE should be shown in "debit column 3."

(5) Care will be exercised in the required classifications of receivables, payables, and sales since consolidated reports submitted to higher authority are based on data reported.

(a) Accounts Receivable (EAM Codes 180, 190, and 210). EAM code 180 will include data pertinent to receivables due from District funds which can be collected by processing vouchers within the District. EAM code 190 includes receivable due from Federal Government appropriations and agencies not chargeable to funds of the reporting District. Data for all other receivables, such as amounts due from states, municipalities, and private persons or organizations will be included in EAM code 210.

(b) Accounts Payable (EAM Codes 460, 470, and 480). EAM code 460 will include accounts payable due the Civil Revolving Fund maintained by other Districts. EAM code 470 will include payables due to Federal Government appropriations and agencies other than the Civil Revolving Fund. EAM code 480 will include all payables due outside Federal Government.

(c) Sales (EAM Codes 570, 571, 573, and 574). This group of line entries accounts for sales in summary (EAM 570) and by customer (EAM codes 571, 573 and 574). Included in EAM code 571 are sales made to portions of the Civil Revolving Fund maintained by other Districts. EAM code 573 will include all other sales made to Federal Government appropriations and agencies including Civil Works appropriations. All sales to other customers such as states, municipalities, and private persons or organizations will be included in EAM code 574.

(d) Operating Expenses (EAM Codes 630, 631, 632, and 633). This group of line entries accounts for operating expenses in summary and in three categories. EAM code 631 will include all repair and replacement costs charged directly to cost accounts in the 421.- thru 469.- series of accounts. Line entry for EAM code 632 will include all current accruals of depreciation charged to cost accounts in the 421.- through 469.- series of accounts. Line entry for EAM code 633 will include all expenses charged to the 421.- through 469.- series accounts except those included in EAM code line entries 631 and 632.

(6) The following memorandum data will be obtained from sources other than the cost and general ledger accounts. The data will be reported for each period unless otherwise stated.

(a) Undelivered Orders - Total (EAM Code 890). This item includes the dollar value of all awarded contracts and other orders which are valid obligations of the Revolving Fund but have not been accrued as of the end of the reporting period. Intra-Revolving Fund undelivered orders should not be included. On 30 September, the amount reported on this line must be certified in accordance with 31 U.S.C. 1501(A) Public Law 97-258.

(b) Undelivered Orders (EAM Code 891 and 892). These items are required on Fiscal Year-End Reports only. The amount of undelivered orders within the government (other Federal Appropriations and Agencies) will be reported as EAM 891. EAM 892 will reflect the amount of undelivered orders outside the government. The total of EAMs 891 and 892 must equal EAM 890.

(c) Unfilled Orders - Total (EAM 893). This item includes the dollar value of all unfilled orders received for goods and services for which costs have not been incurred. However, Intra-Revolving Fund unfilled orders and orders covered by advances of funds will not be included.

(d) Funds Transferred for Payroll Financing (EAM Code 895). This item includes the amount of funds transferred Fiscal Year-To-Date for central payroll as required by Chapter 4 of this regulation. The Central Payroll Office will furnish on an appended sheet the amount of transfers received from each serviced office.

(e) Estimated Amount For Accrued Liability (EAM Code 896). This item includes the amount of estimated liability for accrued payroll, through the end of the reporting period, which has not been transferred to the Central Payroll Office.

(f) Value of Accrued Annual and Shore Leave (EAM Code 897). This item includes the monetary value of unused annual and shore leave due employees as of the report date. The amount is computed by multiplying payroll earning rates of employees by number of hours of annual and shore leave due the employees. The Central Payroll Office will furnish each office its liability as near the end of each quarter as possible.

(g) Pending Claims (EAM Code 898). This item includes the amount of unadjudicated claims not reflected in the liabilities or undelivered orders. This item is required on 30 September reports only.

22-3. Schedule - Plant, Properties, and Equipment, Report No. 4.

a. Purpose and Scope. For purposes of review of plant acquisition and disposal programs, categories of fixed assets owned and report preparation, detail information is periodically required as to transactions, balances and property classifications reflected in fixed asset accounts of the Revolving Fund. Report No. 4 is used at District and Division level and in the Office, Chief of Engineers to measure and compare accomplishment of the programs.

b. Description. The report includes, by categories of plant, properties and equipment, balances and transactions related to fixed asset accounts of the Revolving Fund. Many requirements of the report are self-explanatory. Line items which are not self-explanatory are discussed in the following subparagraphs. Three-digit EAM codes are included for each line item for use when the report is automated.

(1) Reclassifications (EAM Codes 124 and 134). Transactions which will be entered in these line entries relate to the financial entries required because of changes in assets within classifications. Entries therein net to no change in balances of the related general ledger accounts.

(2) Current Accruals (EAM Code 132). Transactions which will be entered in this line entry relate to depreciation accrued and charged to the accounts during the period reported. The total of this line entry represents the sum of the amounts charged to operations in accordance with para 7-15.

(3) Transfers Without Reimbursement (EAM Code 133). Transactions which will be entered in these line entries relate to depreciation accrued on fixed assets prior to transfer in (to the district) without reimbursement and to accrued depreciation related to assets transferred out without reimbursement when such transactions are not accounted for as retirements.

(4) First Cost; Improvements and Conversion (EAM Codes 142, 143, and 144). Transactions which will be entered in these line entries relate to assets in process of acquisition by the district revolving fund through the use of revolving fund cash or other assets such as inventories. Assets, or portions of assets acquired without the use of revolving funds are excluded. These entries are related to progress of the plant replacement and improvement program and represent charges applied to plant acquisition cost accounts (478.- series).

(5) Transfers Account 301 and Transfers Account 302 (EAM Codes 152 and 153). Transactions which will be entered in these line entries represent the book value of revolving fund assets placed in retirement status. In the case of fixed land plant (VW76.- series) and tools, office furniture and equipment (VW77.- series), such book values represent the net of book cost and estimated depreciation to date of retirement.

(6) Disposal Cost (EAM Code 154). Transactions which will be entered in this line entry represent expenses incurred in retiring assets, such as dismantling, transportation and all other costs leading up to final disposition.

(7) Disposal Income (EAM Code 155). Transactions which will be entered in this line entry relate to gross proceeds of sales of the property being retired, credits for transfer of materials, component parts, etc., to inventory, salvage operations or other revolving fund activities, and any other credits realized from the disposal.

22-4. Statement of Results from Operation, Report No. 2.

a. Purpose and Scope. For purposes of review and managerial analysis, information is periodically required as to the status of operating expenses and income accounts for the Revolving Fund. Report No. 2 is used at District and Division level, and at the Office, Chief of Engineers to ascertain status of the accounts, initiate corrective action if indicated, and for reporting purposes to higher authority.

b. Description. The form provides an analysis of the operating expense accounts to disclose (1) balances carried forward from prior fiscal year, (2) gross expenses charged to the accounts, (3) depreciation charges included in the expenses, (4) gross sales, (5) sales made to Revolving Funds of other districts, (6) intra-fund income (joint cost credits), (7) net income or expense for the period, and (8) balances at end of period. Budgeted (estimated) totals for the current fiscal year may also be shown.

c. Reporting of S&A Costs. Transactions and balances applicable to account VW65.- will be reported in a single line entry under General Administrative Services section of Report No. 2. Credit balances transferred from this account to Omaha District will be included (together with other expenses) in column (2); debit balances transferred will be included (together with other sales) in columns (4) and (5). Credit balances transferred from other districts will be included by Omaha District in columns (4) and (5) for account VW54; debit balances will be included in column (2).

ER 37-2-10
Change 53
29 Nov 84

22-5. Analysis of Warehouse Stocks, Accounts Receivable, Military Construction Supervision and Administration Account, Report Nos. 5, 7 and 8.

a. Purpose and Scope. For purpose of review of inventory management, non-funded transactions affecting resources, and selected working capital balances, detailed information is periodically required as to status of balances and transactions pertinent to certain operations and accounts not reported elsewhere. Report Nos. 5, 7 and 8 are used at District and Division level to ascertain inventory utilization, to review non-funded resources transactions and to examine the status of receivables. The report is used at Office, Chief of Engineers for overall review of operations and for source data for reporting to higher authority.

b. Description. The report includes account balances at beginning of current fiscal year and at end of reporting period as well as selected transaction data recorded during the reporting period. Generally, data for the report are obtained by direct abstraction from the accounting records. Line items which are not self-explanatory are discussed in the following subparagraphs:

(1) Report No. 5 - Warehouse Stock Accounts. The data required is abstracted from cost accounts in the 480.- series. Data related to inventory adjustments and issues sold and consumed is in consonance with data reflected also in the related VW25.- and VW26.- series of subsidiary cost accounts.

(2) Report No. 7 - Aging of Accounts Receivable. The data required relates to number and dollar amounts of billed accounts receivable in the categories indicated under "Age."

(3) Report No. 8 - Military Construction S&A Account - See ER 37-345-10.

22-6. Forecast of Fund Availability, ENG Form 3739.

a. Purpose. For review of cash position and forecast of future requirements and availability, information is required as to transactions and balances reflecting funds available for use. This report satisfies the requirement for forecasting cash availability as contained in para 7-31 of this regulation although a more detailed analysis may be required for use in the District. ENG Form 3739 is used at Office, Chief of Engineers for overall review of the adequacy of cash position and effecting adjustments in allocations. The report includes actual data through the current quarter and estimates for succeeding quarters.

b. Frequency. This report is required to be submitted to CDR USACE (DAEN-RMF-C), WASH DC 20314-1000 quarterly, but may be submitted at any time a surplus of funds is observed or additional funds are required.

c. Description. The report measures cash available against cash requirements. Line item entries not considered self-explanatory are discussed in the following subparagraphs:

(1) Receipts for Period. Item 2d includes cash transfers in by journal voucher not listed elsewhere in Section 2.

(2) Requirements for Period. Item 3f includes cash transfers out by journal vouchers not listed elsewhere in Section 3.

(3) Justification for Allocation from OCE. This section is to be completed even if additional funds are not required. If surplus funds are indicated, prefix with a minus sign.

(4) Remarks. This section is to be used for requesting allocations or withdrawals and data considered pertinent to the District Revolving Fund cash position.

22-7. Fiscal Year-end Certification and Supporting Schedules.

a. A certified hardcopy Report No. 1 (Trial Balance) COEMIS printout will be submitted to CDR USACE (DAEN-RMF-C) at the end of the fiscal year. The certification will be in the following format:

"I hereby certify that the amounts shown in this report are correct. Amounts reported as accounts payable and undelivered orders include all known recordable unliquidated obligations and meets the criteria of the 31 U.S.C. 1501(A)."

DATE _____/s/ _____
(TITLE)

Responsibility for this certification may be delegated no lower than the Comptroller/Resource Manager. The certified Report No. 1 will be received not later than 18 October.

b. The supporting schedules listed will be attached to the certified Report No. 1. Schedule totals must be in agreement with related items on the Report No. 1 which they support.

(1) Schedule A - Schedule of Work In Progress (General Ledger (GL) 317). Indicate for each cost account (by title) the unbilled balance. See Illustration 22/1.

ER 37-2-10
Change 53
29 Nov 84

(2) Schedule B - Schedule of Plant Operating Balances (GL 325.1). Balances transferred from cost accounts VW21.1 and VW21.2 will be listed by name of plant item. Indicate current fiscal year ending balance and if a debit or credit balance. Balances transferred from cost account VW21.3 will be reported in total. See Illustration 22/2.

(3) Schedule C - Schedule of Other Deferred and Undistributed Items (GL 325.2). Indicate for each cost account in the VW83.- series (by title) current fiscal year ending balance and if a debit or credit. See Illustration 22/3.

(4) Schedule D - Inter-District Transfers (GL 333.2). Cost accounts in the VW88.- series furnish source data for this schedule. See Illustration 22/4.

ER 37-2-10
Change 53
29 Nov 84

SCHEDULE A

SCHEDULE OF WORK IN PROGRESS
GL 317

DIVISION:
DISTRICT:
PERIOD:

<u>Cost Accts</u>	<u>Account Title</u>	<u>Balance 30 Sep 19PY</u>	<u>Balance 30 Sep 19CY</u>
VW81.1	<u>Chargeable to District Funds:</u>		
	Invitation for Bid	100,280.00	24,000.90
	Emergency Bank, Tom CO NE	-0-	3,600.00
	Flood Emergency, Grand River	545.20	-0-
	TOTAL VW81.1	<u>100,825.20</u>	<u>27,600.90</u>
VW81.2	<u>Other Federal Appropriations and Agencies:</u>		
	EPA Region VII Missouri	60,000.00	-0-
	Work for Coastal ENG		
	Research Center	700,881.10	280,360.20
	Work for National Park Service	-0-	18,060.00
	TOTAL VW81.2	<u>760,881.10</u>	<u>298,420.20</u>
VW81.3	<u>All Others:</u>		
	Wiley & Wilson	21,307.87	-0-
	Dredging St Geric Canal FL Power	35,600.50	37,638.67
	Steamer Doan Transportation	-0-	1,000.00
	TOTAL VW81.3	<u>56,908.37</u>	<u>38,638.67</u>
	TOTAL G/L 317	<u>918,614.67</u>	<u>364,659.77</u>

Debit balances assumed for all VW81 accounts.

ILLUSTRATION 22/1

22-11

ER 37-2-10
Change 53
29 Nov 84

SCHEDULE B

SCHEDULES OF PLANT OPERATING
BALANCES GL 325.1

DIVISION:
DISTRICT:
PERIOD:

<u>Cost Acct</u>	<u>Account Title</u>	<u>DR</u>	<u>CR</u>
VW21.1	Dredge Lanfitt		600,350.54
	Dredge Currituck	27,159.80	
	TOTAL VW21.1		<u>573,190.74</u>
VW21.2	Quarterboat 4423		103,039.41
	Tender Lyon	9,940.20	
	Hyde Lauch	<u>7,500.00</u>	
	TOTAL VW21.2		<u>85,599.21</u>
VW21.3	Group Plant		<u>499,551.00</u>
	TOTAL GL 325.1		1,158,340.95

ILLUSTRATION 22/2

22-12

789

BEST COPY AVAILABLE

ER 37-2-10
Change 53
29 Nov 84

SCHEDULE C

SCHEDULE OF OTHER DEFERRED
AND UNDISTRIBUTED ITEMS
GL 325.2

DIVISION:
DISTRICT:
PERIOD:

<u>Cost Acct</u>	<u>Account Title</u>	<u>DR</u>	<u>CR</u>
VW83.1	District Office Move	200,000.00	
	TOTAL VW83	<u>200,000.00</u>	<u> </u>

ILLUSTRATION 22/3

22-13

790

BEST COPY AVAILABLE

ILLUSTRATION 22/4

22-14

BEST COPY AVAILABLE

SCHEDULE D

REVOLVING FUND, CORPS OF ENGINEERS
 INTER-DISTRICT TRANSFERS
 GL 333.2
 For Period Ending _____

DIVISION:
 DISTRICT:

ER 37-2-10
 Change 53
 29 Nov 84

Journal Entry No.	District Transferred From	District Transferred to	Description of Materials or Services Transferred	Dr	CR
			1 Oct 19PY Balance Forward		400,620.10
			<u>VW88.1</u>		
L06840034	Summerville	Jonesburg	Accrued Annual Leave - Carol Ports	17.67	
L10840452	Thrillerville	Summerville	Accrued Annual Leave - Michael Jackson		573.12
			<u>VW88.2</u>		
L11840963	Ellentown	Summerville	Illumination Meter		889.00
L120841264	Summerville	Portstown	Duplicator and Sorter	26,736.20	
			<u>VW88.9</u>		
				-0-	
				-0-	
			<u>VW88.10</u>		
					-0-
					-0-
			Subtotal	26,780.87	402,082.22
			30 September 19C Ending Balance		375,301.35

791

APPENDIX A

Revolving Fund Reconciliations and
Edit Verification Formulas

<u>Error Code</u>	<u>Formula</u>
02	Report No. 1 EAM 430 (102-101) = Report No. 2 EAM 798 (101)
04	Report No. 1 EAM 610 (103-104) + Report No. 1 EAM 630 (103-104) = Report No. 2 EAM 798 (102-106)
05	Report No. 1 EAM 632 (103) = Report No. 4 EAM 132 (109)
06	Report No. 2 EAM 798 (103) = Report No. 4 EAM 132 (109)
07	Report No. 1 EAM 570 (104) = Report No. 2 EAM 798 (104)
08	Report No. 1 EAM 571 (104) = Report No. 2 EAM 798 (105)
40	Report No. 1 EAM 110 (101-102) = Report No. 4 EAM 121 (101)
41	Report No. 1 EAM 110 (101-102+103-104) = Report No. 4 EAM 129 (101)
42	Report No. 1 EAM 120 (101-102) = Report No. 4 EAM 121 (109-101)
43	Report No. 1 EAM 120 (101-102+103-104) = Report No. 4 EAM 129 (109-101)
44	Report No. 1 EAM 130 (102-101) = Report No. 4 EAM 131 (109)
45	Report No. 1 EAM 130 (102-101+104-103) = Report No. 4 EAM 139 (109)
46	Report No. 1 EAM 381 (104-103) + Report No. 1 EAM 382 (104-103), Report No. 1 + EAM 391 (104-103) + Report No. 1 EAM 392 (104-103) = Report No. 4 EAM 123 (109) - Report No. 4 EAM 133 (109) + Report No. 4 EAM 156 (109)
47	Report No. 1 EAM 140 (101-102) = Report No. 4 EAM 141 (109)
48	Report No. 1 EAM 140 (101-102+103-104) = Report No. 4 EAM 149 (109)

ER 37-2-10
Change 53
29 Nov 84

Error
Code

Formula

- 49 Report No. 1 EAM 150 (101-102) = Report No. 4 EAM 151 (109)
- 50 Report No. 1 EAM 150 (101+103-102-104) = Report No. 4 EAM 159
(109)
- 54 Report No. 1 EAM 220 (101-102) = Report No. 5 EAM 221 (101)
- 55 Report No. 1 EAM 387 (104) + Report No. 1 EAM 397 (104) =
Report No. 5 EAM 223 (101)
- 56 Report No. 1 EAM 610 (104-103) = Report No. 5 EAM 228 (101)
- 57 Report No. 1 EAM 387 (104-103) + Report No. 1 EAM 397
(104-103)
Report No. 5 = EAM 223 (101) + Report No. 5 EAM 231 (101)
- 58 Report No. 1 EAM 220 (101+103-104) = Report No. 5 EAM 239
(101)
- 59 Report No. 1 EAM 180 (101-102+103-104) + Report No. 1 EAM 190
(101-102+103-104)
Report No. 1 + EAM 210 (101-102+103-104) = Report No. 7 EAM
189 (102)

APPENDIX B

Card Formats for Revolving Fund and
Military Construction S&A Account Reports

Card Column(s) - - - -	Item Description - - - -
1-2	EROC code, see ER 18-1-12
3-4	Month, e.g., 01 = January
5	Last digit of calendar year
6	Report number, i.e., 2 = Statement of Results from Operations
7-9	EAM code
16	Number of fields included on this card
28-30	First field ID
31-43	Amount applicable to first field ID
44-46	Second field ID
47-59	Amount applicable to second field ID
60-62	Third field ID
63-75	Amount applicable to third field ID
76-80	RFDØØ

NOTES:

1. Right justify all monetary amount fields.
2. Negative amounts will be punched as an eleven zone punch over the low order digit of the amount field.
3. Do not punch commas, decimals or dollar designators.
4. Submit a punched card with at least one field ID, even though amount may be zero, for each EAM code on the report.

CHAPTER 23

FISCAL YEAR COST-BUDGET SUMMARIES
Requirements Control Symbol (DAEN-RMF-6(R4))

<u>TOPIC</u>	<u>PARAGRAPH</u>
General	23-1
Submission Requirements	23-2
District Office Fiscal Year Cost-Budget Summary, RCS DAEN-RMF-6(R4)	23-3
Division Fiscal Year Cost-Budget Summary, RCS DAEN-RMF-6(R4)	23-4
Fiscal Year Cost-Budget Summary - Civil Activities RCS DAEN-RMF-6(R4), ENG Form 3018b	23-5
Rescinded	23-6
Prior Year Adjustments	23-7
Reporting for Projects Transferred between Districts	23-8
* Illustration No. 23/1, Specimen Report ENG Form 3018b	
Appendix 23-I - List of Report Items, with Authorized Abbreviations, ENG Form 3018b	

*

CHAPTER 23

FISCAL YEAR COST-BUDGET SUMMARIES Requirements Control Symbol DAEN-RMF-6(R4)

23-1. General. The reports covered by this chapter are related to the Civil and Revolving Fund activities of Corps of Engineers' Divisions and Districts. Actual and estimated costs shown in the reports will be exclusive of any unapplied costs to the extent that such costs are not included in the base for distribution of overhead. Instructions related to submission of the ENG Form 3018c reports by Divisions and Districts performing military activities are contained in Chapter 8, ER 37-345-10.

23-2. Submission Requirements.

a. This is a quarterly report. Data transmission should be received at the U.S. Army Engineer Automation Support Activity (EASA) on or before 0800 hours on the 18th day of the month following the end of each quarter. When the due date falls on a Saturday, Sunday or holiday, the report will be submitted in sufficient time to ensure receipt by 0800 hours of the work day immediately preceding the due date. HQUSACE (DAEN-RMF-C) will obtain required information from the data transmitted to EASA.

b. Current requirements and procedural guidance necessary for automated submission of ENG Form 3018b reports are included in Software Note Number S-299.

23-3. District Office Fiscal Year Cost-Budget Summary, RCS DAEN-RMF-6(R4) (LOCAL USE ONLY).

a. This report may be prepared for local use at the discretion of the District Commander. Preparation instructions are included in Software Note Number S-317.

- b. Rescinded
- c. Rescinded
- d. Rescinded
- e. Rescinded

*

ER 37-2-10
Change 53
29 Nov 84

- * f. Rescinded
- g. Rescinded
- h. Rescinded
- i. Rescinded

*

- * 23-4. Division Fiscal Year Cost-Budget Summary, RCS DAEN-RMF- 6(R4) (LOCAL USE ONLY). This report may be prepared for local use only at the discretion of the Division Commander. Preparation instructions are included in Software Note Number S-317.

*

- 23-5. Fiscal Year Cost-Budget Summary - Civil Activities - RCS DAEN-RMF- 6(R4), ENG Form 3018b (Illustration 23/1). ENG Form 3018b will be used by Division and District office for reporting CFY work performed under the various appropriations and other activities. Each of the offices will include in the ENG Form 3018b applicable to that office, only the work which has been specifically assigned that office and to which necessary funds have been authorized or otherwise made available.
- * For instance, work temporarily financed in the Revolving Fund VW81 accounts which are chargeable to the reporting offices' civil funds will be reported as work accomplished/placement in the ultimate account, in the time period performed, even though it is unbilled from the Revolving Fund. This would include such activities as Reconnaissance and Detailed Project Reports, Rehabilitation Investigations, Post Disaster Reporting, and other Flood Fighting and Rescue activities. Costs incurred and reported in a PFY report will be excluded from the CFY report. For example, costs reported

23-1a (next page is 23-2)

on a PFY report when unbilled from the Revolving Fund and subsequently billed in the CFY will be excluded as CFY activity on the ENG Form 3018b report. A uniform list of report item code numbers and descriptions to be used in preparation of ENG Form 3018b is prescribed in APP 23-I. This list consists of detailed items to be reported under the following primary activity classifications:

- Item 100000, Project Activities, General.
- Item 200000, Project Activities, Flood Control, Mississippi River and Tributaries.
- Item 400000, Work for Others.

a. Description Column.

(1) Show only classification of work for items on which it is expected that work will be actually accomplished during the current fiscal year or the ensuing fiscal years.

(2) Under "Miscellaneous-Civil," (Item X40000), include activities such as "Washington Aqueduct," "Soldiers Home," "Flood Control and Coastal Emergencies," and other activities not provided for elsewhere performed by and for the Corps of Engineers as an element of the assigned Civil Works mission of the Corps. Each such activity will be reported separately using program subclass items listed in APP 23-I, as appropriate. Costs of FEMA directed disaster assistance which are not eligible for reimbursement (see ER 500-1-1) will be reported under Item XXA000, Flood Control and Coastal Emergencies (O&M) combined with normal emergency operations performed pursuant to PL 99. Such nonreimbursable disaster assistance costs included will be reported by footnote as indicated in Illustration 23/1.

(3) Under "General Expenses," (Item X50000), for Division Offices, include ED&M and such items as Waterborne Commerce Statistics Center and Special Investigations assigned to the Division Offices.

(4) Under Item 400000, Work for Others, show costs only for the applicable subclasses indicated in APP 23-I. Include all work performed for others financed by direct reimbursement, working funds, advance of funds, or other means; including work such as reimbursable FEMA disaster assistance, work performed outside project scope by nonrequired contributions from local interests or others, and reimbursable betterments of highways,

ER 37-2-10
Change 48
30 Dec 82

etc., performed in connection with project relocation activities. Estimated costs will be indicated in columns 13 and 15; and in columns 14 and 16, when applicable.

(5) All work performed by one division or district for another division or district on a reimbursable basis will be reported by the performing office as Item 400000, Work for Others. The office for which work was performed, will report such costs in its applicable categories of work.

23-2a

b. Division Support Costs. The costs of support such as administrative services and miscellaneous expenses furnished Division offices and applicable to work performed by them will be reflected in the overhead columns of the Division office ENG Form 3018b.

* c. (Rescinded)

d. Direct Costs - Columns 1 and 8. These columns will include total costs; exclusive of engineering and design, area overhead, supervision and inspection, and district overhead costs, which are reported separately, for all programs except General Investigations and General Expense.

e. Engineering and Design, Supervision and Inspection, Area Overhead, etc. - Columns 2 and 3.

(1) Include, as pertains to Construction, the following accounts: 30, 31.1, 31.2, 31.3, 31.5, and 31.6.

ER 37-2-10
Change 56
15 Aug 85

- * (2) Include, as pertains to Operation and Maintenance, the following feature and subfeature accounts: 607, 609, 610, 619.1, 619.2, 619.4, 619.5, 630.1, 634, 635.1, 635.2, 635.3, 635.5, and 635.6. *

(3) Include, with respect to other programs, costs similar to those listed in (1) and (2) above, including direct costs of the General Expense programs.

(4) Include, as pertains to General Investigations, the following subfeature accounts: 501.31, 501.32, 501.33, 502.31, 502.32, 502.33, 506.31, 506.32, 506.33, 509.31, 509.32, 509.33, 503.31 thru 503.59, 504.31 thru 504.59 and 505.31 thru 505.59.

f. Engineering Costs.

(1) Engineering and design costs, including related overhead, will be reported in Columns 2 thru 6 as applicable for all appropriations. Design engineering such as is defined in Construction Subfeature 30.1 - 30.6 will be reported under the Design Engineering work element subclass (Item XXXX10) for each appropriation. Non-design engineering costs such as are defined in Construction Subfeatures 30.7, 30.8, and 30.9 will be reported as work element subclass XXXX20, Other Engineering and Design, for each appropriation.

- * (2) For program class X30000, Operation and Maintenance, engineering and design costs will include Feature 607, Condition and Operation Studies; Feature 609, Water Control Management; Feature 610, Inspections and Reports; Subfeature 630.1, Purchase of Water Control Data System Equipment; and Feature 634, Engineering and Design. *

(3) Contractors earnings and Government-furnished property, such as is described in Construction Subfeature 30.1, will be reported as contract cost in Column (2) for each appropriation. Related Engineering Supervision, and Damages Assessed E&D Contractors, such as are described in Construction Subfeatures 30.2 and 30.3 will be shown as contract cost in Column (3) with related overhead shown in Column (4) for each appropriation. (Work accomplished by Other Governmental Elements such as described in Construction Subfeature 30.6, will be shown in Column (2) as Hired Labor costs by the reporting organization.) All other engineering costs incurred by/for the reporting organization government forces such as are described in Construction Subfeature 30.4 will be shown in Column (3) as hired labor costs with the related overhead shown in Column (4), for each appropriation. Engineering costs incurred (estimated and/or billed) by other CE establishments will be shown separately from the reporting organizations costs using the same format as above, except the overhead costs will be included with the related government forces costs, for each appropriation.

- * (4) Planning and Engineering costs under the General Investigations and Flood Control, Mississippi River and Tributaries appropriations will be reported under the Engineering and Design work element class (Item Code XXX2XX) for feature accounts 503.31 thru 505.59. Advance Engineering and Design, feature accounts 505.31 thru 505.59, will be reported under the Design Engineering work element subclass (Item Code XXXX1X). Continuation of Planning and Engineering, feature accounts 503.31 thru 503.59, and Engineering Under Proposed Legislation, feature accounts 504.31 thru 504.59, will be reported under the Other Engineering and Design work element subclass (Item Code XXXX2X).

*

g. Lands and Damages.

(1) Land Payments, Resettlement Reimbursements, and Damage Payments will be reported as contract costs in Column 7. Disposal receipts will not be reported.

(2) All costs incurred by contract, such as real estate appraisal and title search, will be reported as contract in Columns 8 thru 10.

(3) All costs incurred by government forces in performing services in connection with the items listed in (1) and (2) above will be reported as hired labor in Columns 8 thru 10.

h. Columns 4 and 9. The totals of these columns will agree with amount of overhead distributed as shown for Civil in cost account 460.30.

i. Columns 6 and 11. Self-explanatory. Percentage in Column 6 on Contract and Hired Labor lines for any Item Code may differ. Variance may be caused by costs in Column 1 on which overhead is not applied or by revision of overhead rates during the fiscal year.

j. Column 12. (Reserved)

k. Columns 13 and 14 cover estimates for the current fiscal year and will be in excess of or at least equal to amounts shown in Columns 11 and 7, respectively. These estimates will be based on the latest approved program for the current fiscal year. Actual costs will be substituted for estimated costs included in these estimates as the former become available. Amounts in Column 13 will include estimates

ER 37-2-10
Change 50
8 Dec 83

in column 14.

1. Columns 15 and 16 include estimated total costs of all work for the succeeding fiscal year, including work to be commenced during that year, as well as work to be performed on jobs carried over from prior years.

* m. Required footnotes on ENG Form 3018b are as follows: (For reporting instructions, see COEMIS Software Note Number S-299.)

(1) Footnote 1: The amounts of estimates in columns 13 and 15 which represent only construction costs that will be reported in columns 1 thru 4, for Items 120109, 14B109, and 14D109. Amounts will be reported to the nearest dollar except for Field ID 117 which is reported to the nearest thousand.

(a) Current fiscal year. Use the most current estimates, to be shown cumulative by quarter for the balance of the fiscal year for Direct costs, for Supervision and Inspection costs, for Overhead costs, and for total cost.

(b) Next fiscal year. Estimates will be shown as a fiscal year total except on the report for the last quarter of the fiscal year. On the last quarter of the fiscal year show the estimates cumulative by quarter in the same detail as described for the current fiscal year above.

(2) Footnote 2: The amounts of estimates in columns 13 and 15 which represent only construction costs that will be reported in columns 1 thru 4 for Item 220109. Amounts will be reported to the nearest dollar except Field ID 117 which is the nearest thousand.

(3) Footnote 3: Value engineering costs incurred after 1 March 1969 will be reported as positive amounts to the nearest dollar.

Undistributed Balance, Start of FY	\$
Gross Costs, FY to Date	\$
Less: Amounts Charged to Project Costs, FY to Date -	
Direct Charges - Civil	\$
Distributions, Nonproductive VE Effort	\$ _____
Undistributed Balance, to Date	\$

NOTE: The amount reported in Field ID 107, Undistributed Balance to Date on the 4th quarter submission, is the amount reported in Field ID 101, Undistributed Balance, Start of FY on the submissions in the next fiscal year.

*

* (4) (Rescinded)

(5) (Rescinded)

*

n. Districts having funds allotted under the appropriation 96X3112, Flood Control, Mississippi River and Tributaries, will report activities under that appropriation under Item 200000.

o. Contributed and Advanced Funds. Work within the scope of an authorized project which is partially financed from contributions or advances by local interests for the Corps of Engineers activities will be included with the amounts of work financed from the related U. S. funds and reported thereunder to reflect the overall gross costs.

23-6. (Rescinded)

23-7 Prior Year Adjustments. Significant adjustments of prior year costs (debits and credits) which would distort costs of the current fiscal year will not be included in costs reported for the current fiscal year. In no instance will a minus amount be reported. However, significant adjustments will be reported by footnote and fully explained. Such footnotes will be referenced to the specific items involved. For this purpose adjustments will be considered significant if the cumulative effect thereof during the fiscal year causes a deviation of 5 percent, or more, from the estimated total cost programmed for the current year for the applicable cost element of the related report line item. *

23-8 Reporting for Projects transferred between Districts.

a. The current fiscal year costs applicable to projects or parts of projects transferred between districts should be reported on ENG Form 3018b reports by the district which incurred the costs. The transferring district should report costs incurred to date of transfer. The transferee district should report costs incurred subsequent to the date of transfer (Para 6-19).

b. The transferor and transferee districts will adjust original and current working estimates as necessary to conform with the transfer and will explain the adjustments by footnote on ENG Form 3018b.

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 001
DEPT OF ARMY WASHINGTON DC 20314

DIVISION
Specimen

Specimen

Specimen

RCS DAEN-RMF-6(R4)
3018B

[illegible]

100000 PROJ ACTIV GEN

110000 GENL INVESNS

110001 BY REPORTING ORG.

CONT	194,379			194,379
HL	137,476	952,643	142,464	1,202,583

TOTAL	331,855	952,643	142,464	1,396,962
-------	---------	---------	---------	-----------

110002 BY OTHER CE ESTAB.

CONT			
HL	66,090		66,090

TOTAL	66,090	66,090
-------	--------	--------

110009 TOTAL

CONT	174,379			174,379
HL	107,476	1,218,733	142,464	1,268,673

TOTAL	301,855	1,018,733	142,464	1,463,052
-------	---------	-----------	---------	-----------

110200 ENG & DES

110212 DESIGN ENG

110211 BY REPORTING ORG.

CONT	63,028			63,028
HL	58,165	565,503	69,064	692,732

TOTAL	121,193	565,503	69,064	755,760
-------	---------	---------	--------	---------

110009 TOTAL GENL INVESNS

CONT	257,407			257,407
HL	165,641	1,584,236	211,528	1,961,405

TOTAL	423,048	1,584,236	211,528	2,218,812
-------	---------	-----------	---------	-----------

120000 CONST

120100 ALL ACTIV EXC E&D

120101 BY REPORTING ORG.

CONT	7,591,139	160	694,806	151,049	8,437,154	4,420
HL			4,403	12,556	16,959	

TOTAL	7,591,139	160	699,209	163,605	8,454,113	4,420
-------	-----------	-----	---------	---------	-----------	-------

72I-85149/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 001
DEPT OF ARMY WASHINGTON DC 20314

DIVISION DISTRICT PERIOD ENDING
Specimen Specimen Specimen
RCS DAEN-RMF-6(R4)
30188

* LANDS AND DAMAGES * TOTAL COSTS * ESTIMATED COST *
* C.F.Y. * THOUSANDS OF DOLS *
* (COL. 5) *
* DIRECT COSTS * DISTRICT * TOTAL * PLUS 10) * CFY * NFY *
* OVERHEAD * * TOTAL * TOTAL *
* (8) * (9) * (10) * (11) * (13) * (15) *

110000 PROJ ACTIV GEN

110000 GENL INVESNS

110001 BY REPORTING ORG.

CONT	HL			
		194,379	522	450
		1,202,583	2,455	2,200
TOTAL		1,396,962	2,977	2,650

110002 BY OTHER CE ESTAB.

CONT	HL			
		66,090	88	30
TOTAL		66,090	88	30

110009 TOTAL

CONT	HL			
		194,379	522	450
		1,268,673	2,543	2,230
TOTAL		1,463,052	3,065	2,680

110200 ENG & DES

110210 DESIGN ENG

110211 BY REPORTING ORG.

CONT	HL			
		63,028	177	150
		692,732	2,110	1,900
TOTAL		755,760	2,287	2,050

110009 TOTAL GENL INVESNS

CONT	HL			
		257,407	699	600
		1,961,405	4,653	4,130
TOTAL		2,218,812	5,352	4,730

120000 CONST

120100 ALL ACTIV EXC E&D

120101 BY REPORTING ORG.

CONT	HL						
		732,255	736,675	9,173,829	22,684	20,000	
		175,821	25,825	201,646	5,114	3,000	
TOTAL		908,076	25,825	938,321	27,798	23,000	

807

72I-8514J/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 002
DEPT OF ARMY WASHINGTON DC 20314

RCS DAEN-RMF-6(R4)
39188

DIVISION	DISTRICT	PERIOD ENDING					
Specimen	Specimen	Specimen					
ITEM	DESCRIPTION		CONSTRUCTION	OPERATION	MAINTENANCE	ENGINEERING & DESIGN ETC	LANDS AND
NO			DIRECT COSTS	CONTRACT	HIRED LABOR	OVERHEAD	TOTAL
			(1)	(2)	(3)	(4)	(5)
120102	BY OTHER CE ESTAB.	CONT			23,603		23,603
		HL			5,810	209	6,019
		TOTAL			29,413	209	29,622
120109	TOTAL ALL ACTIV EXC E&D	CONT	7,591,139	160	718,409	151,349	8,460,757
		HL			17,213	12,765	22,978
		TOTAL	7,591,139	160	728,622	163,814	8,483,735
120200	ENG & DES	CONT		11,131	13,397	1,726	26,254
120210	DESIGN ENG	HL		10,025	695,899	77,090	783,014
120211	BY REPORTING ORG.	TOTAL		21,156	709,296	78,816	809,268
120212	BY OTHER CE ESTAB.	CONT			1,700		1,700
		HL					
		TOTAL			1,700		1,700
120219	TOTAL DESIGN ENG	CONT		11,131	13,397	1,726	26,254
		HL		10,025	697,599	77,090	784,714
		TOTAL		21,156	710,996	78,816	810,968
120220	OTHER E&D	CONT			92,129	11,495	103,624
120221	BY REPORTING ORG.	HL					
		TOTAL			92,129	11,495	103,624
120209	TOTAL ENG & DES	CONT		11,131	13,397	1,726	26,254
		HL		10,025	789,728	88,585	888,338
		TOTAL		21,156	803,125	90,311	914,592

BLANK PAGE

BLANK PAGE

BLANK PAGE

ER 37-2-10
Change 56
31 Jul 85

72I-85147/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 003
DEPT OF ARMY WASHINGTON DC 20314

DIVISION DISTRICT PERIOD ENDING
Specimen Specimen Specimen
RCS DAEN-RMF-6(R4)
3018B

ITEM NO	DESCRIPTION	DIRECT COSTS	CONTRACT	OTHER HIRED LABOR	DISTRICT OVERHEAD	TOTAL	LANDS AND DAMAGES	REAL ESTATE PAYMENTS
		(1)	(2)	(3)	(4)	(5)	(7)	
120009	TOTAL CONST	7,591,139	11,291	731,806	152,775	8,487,011	4,420	
		HL	10,025	799,941	101,350	911,316		
	TOTAL	7,591,139	21,316	1,531,747	254,125	9,398,327	4,420	
130000	OPER & MAINT							
130100	ALL ACTIV EXC E&D							
130101	BY REPORTING ORG.	6,715,954		181,736	11,441	6,909,131		
		HL	8,121,986	2,307,469	1,258,496	11,687,951		
	TOTAL	14,837,940		2,489,205	1,269,937	18,597,082		
130102	BY OTHER CE ESTAB.							
		CONT						
		HL	58,138	6,809		64,947		
	TOTAL	58,138		6,809		64,947		
130109	TOTAL ALL ACTIV EXC E&D	6,715,954		181,736	11,441	6,909,131		
		HL	8,180,124	2,314,278	1,258,496	11,752,898		
	TOTAL	14,896,078		2,496,014	1,269,937	18,662,029		
130200	ENG & DES							
130220	OTHER E&D							
130221	BY REPORTING ORG.		347,310	52,965		400,275		
		HL	39,243	1,572,057	182,690	1,793,990		
	TOTAL		386,553	1,625,022	182,690	2,194,265		
130222	BY OTHER CE ESTAB.							
		CONT						
		HL		124,395		124,395		
	TOTAL			124,395		124,395		
130229	TOTAL OTHER E&D		347,310	52,965		400,275		
		HL	39,243	1,696,452	182,690	1,918,385		
	TOTAL		386,553	1,749,417	182,690	2,318,660		

BEST COPY AVAILABLE

810

721-85141/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 004
DEPT OF ARMY WASHINGTON DC 20314

DIVISION DISTRICT PERIOD ENDING
Specimen Specimen Specimen
RCS DAEN-RMF-6(R4)
30188

* CONSTRUCTION OPERATION MAINTENANCE ENGINEERING & DESIGN ETC * LANDS AND *
* DAMAGES *
* ITEM * DESCRIPTION * OTHER * DISTRICT *
* NO * * * * *
* DIRECT COSTS * CONTRACT * HIRED LABOR * OVERHEAD * TOTAL * REAL ESTATE *
* * * * *
* (1) * (2) * (3) * (4) * (5) * (7) *

13319 TOTAL OPER & MAINT
CONT 6,715,954 347,310 234,701 11,441 7,309,406
HL 8,181,124 39,243 4,117,730 1,441,186 13,671,283

TOTAL 14,896,778 386,553 4,245,431 1,452,627 20,980,689

14200 MISC CIV ACTIV

14A100 FC & CE - O&M

14A100 ALL ACTIV EXC E&D

14A101 BY REPORTING ORG.

CONT 13,440 13,440
HL 98,575 9,373 107,948

TOTAL 112,015 9,373 121,388

14A210 ENG & DES

14A210 DESIGN ENG

14A211 BY REPORTING ORG.

CONT
HL 8,940 138,072 2,771 149,783

TOTAL 8,940 138,072 2,771 149,783

14A109 TOTAL FC & CE - O&M

CONT 13,440 13,440
HL 98,575 8,940 138,072 12,144 257,731

TOTAL 112,015 8,940 138,072 12,144 271,171

140009 TOTAL MISC CIV ACTIV

CONT 13,440 13,440
HL 98,575 8,940 138,072 12,144 257,731

TOTAL 112,015 8,940 138,072 12,144 271,171

150000 GENL EXP

150100 ALL ACTIV EXC E&D

150101 BY REPORTING ORG.

CONT
HL

TOTAL

72I-85140/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 004
DEPT OF ARMY WASHINGTON DC 20314

DIVISION DISTRICT PERIOD ENDING
Specimen Specimen Specimen
RCS DAEN-RMF-6(R4)
3018B

* LANDS AND DAMAGES * TOTAL COSTS * ESTIMATED COST *
* C.F.Y. * THOUSANDS OF DOLS *
* (COL. 5 *
* DIRECT COSTS * DISTRICT * TOTAL * PLUS 10) * CFY * NFY *
* OVERHEAD * TOTAL * TOTAL *
* (8) * (9) * (10) * (11) * (13) * (15) *

130009 TOTAL OPER & MAINT CONT 37,813 37,813 7,347,219 9,321 6,100
HL 190,605 27,666 218,271 13,889,554 33,244 28,725

TOTAL 228,418 27,666 256,084 21,236,773 42,565 34,825

140000 MISC CIV ACTIV

14A000 FC & CE - O&M

14A100 ALL ACTIV EXC E&D

14A101 BY REPORTING ORG.

CONT 13,440 20 20
HL 107,948 135 120

TOTAL 121,388 155 140

14A200 ENG & DES

14A210 DESIGN ENG

14A211 BY REPORTING ORG.

CONT 149,783 200 100
HL

TOTAL 149,783 200 100

14A009 TOTAL FC & CE - O&M

CONT 13,440 20 20
HL 257,731 335 220

TOTAL 271,171 355 240

140009 TOTAL MISC CIV ACTIV

CONT 13,440 20 20
HL 257,731 335 220

TOTAL 271,171 355 240

150000 GENL EXP

150100 ALL ACTIV EXC E&D

150101 BY REPORTING ORG.

CONT
HL

TOTAL

721-8514-1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 005
DEPT OF ARMY WASHINGTON DC 20314

DIVISION DISTRICT PERIOD ENDING
Specimen Specimen Specimen
RCS DAEN-RMF-6(R4)
30188

* CONSTRUCTION OPERATION MAINTENANCE ENGINEERING & DESIGN ETC * LANDS AND *
* * * * * DAMAGES *
* * * * *
* ITEM * DESCRIPTION * OTHER * DISTRICT *
* NO * * * * *
* * * * *
* * * * *
* * * * *

150009 TOTAL GENL EXP

CONT
HL

TOTAL

100000 TOTAL PROJ ACTIV GEN
100001 BY REPORTING ORG.

CONT 14,321,533 616,008 942,934 164,216 16,043,661 4,420
HL 9,220,561 223,849 6,328,175 1,765,999 16,538,584

TOTAL 22,541,094 839,857 7,271,079 1,930,215 32,582,245 4,420

100002 BY OTHER CE ESTAB.

CONT 23,603
HL 58,138 204,814 209 263,151

TOTAL 58,138 228,407 209 286,754

100009 TOTAL

CONT 14,321,533 616,008 966,507 164,216 16,067,264 4,420
HL 9,278,699 223,849 6,532,979 1,766,208 16,801,735

TOTAL 22,599,232 839,857 7,499,486 1,930,424 32,868,999 4,420

460000 WK FOR OTHERS
460000 OTHER CE ESTAB
460100 ALL ACTIV EXC EAD
460101 BY REPORTING ORG.

CONT 34,396 5,694 40,090
HL 91,851 7,842 98,693

TOTAL 91,851 34,396 13,536 138,783

460200 ENG & DES
460210 DESIGN ENG
460211 BY REPORTING ORG.

CONT 1,707 33,901 4,786 40,394
HL

TOTAL 1,707 33,901 4,786 40,394

72I-85147/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 005
DEPT OF ARMY WASHINGTON DC 20314

DIVISION	DISTRICT	PERIOD ENDING	RCS DAEN-RMF-6(R4) 3018B				
Specimen	Specimen	Specimen					
ITEM	DESCRIPTION	REAL ESTATE ADMIN	DIRECT COSTS	DISTRICT	TOTAL	TOTAL COSTS	ESTIMATED COST
NO		OVERHEAD				C.F.Y.	THOUSANDS OF DOLS
						(COL. 5	
						PLUS 10)	CFY * NFY *
							TOTAL * TOTAL *
		(8)	(9)	(10)	(11)		(13) * (15) *

150009 TOTAL GENL EXP

CONT
HL

TOTAL

150000 TOTAL PROJ ACTIV GEN
150001 BY REPORTING ORG.

CONT	770,068		774,488	16,818,149	33,253	27,020
HL	366,426	53,491	419,917	16,958,501	44,436	37,545

TOTAL	1,136,494	53,491	1,194,405	33,776,650	77,689	64,565
-------	-----------	--------	-----------	------------	--------	--------

150002 BY OTHER CE ESTAB.

CONT				23,603	30	
HL				263,151	464	280

TOTAL				286,754	494	280
-------	--	--	--	---------	-----	-----

150009 TOTAL

CONT	770,068		774,488	16,841,752	33,283	27,020
HL	366,426	53,491	419,917	17,221,652	44,900	37,825

TOTAL	1,136,494	53,491	1,194,405	34,063,404	78,183	64,845
-------	-----------	--------	-----------	------------	--------	--------

460000 WK FOR OTHERS
460000 OTHER CE ESTAB
460100 ALL ACTIV EXC E&D
460101 BY REPORTING ORG.

CONT				40,090	100	50
HL				98,693	300	300

TOTAL				138,783	400	350
-------	--	--	--	---------	-----	-----

460200 ENG & DES
460210 DESIGN ENG
460211 BY REPORTING ORG.

CONT				40,394	200	200
HL						

TOTAL				40,394	200	200
-------	--	--	--	--------	-----	-----

72I-85147/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 006

DEPT OF ARMY WASHINGTON DC 20314

RCS DAEN-RMF-6(RA)

30188

DIVISION	DISTRICT	PERIOD ENDING					
Specimen	Specimen	Specimen					
ITEM	DESCRIPTION		CONSTRUCTION	OPERATION	MAINTENANCE	ENGINEERING & DESIGN ETC	LANDS AND
NO			DIRECT COSTS	CONTRACT	OTHER HIRED LABOR	DISTRICT OVERHEAD	TOTAL
			(1)	(2)	(3)	(4)	(5)
460009	TOTAL OTHER CE ESTAB	CONT			34,396	5,694	40,090
		HL	90,851	1,707	33,901	12,628	139,087
		TOTAL	90,851	1,707	68,297	18,322	179,177
470000	OTHER DEPTS, ETC	CONT					
47X000	OTHER GOVT DEPT ETC	HL			19,690	2,504	22,194
47X100	ALL ACTIV EXC E&D	TOTAL			19,690	2,504	22,194
47X101	BY REPORTING ORG.	CONT					
		HL			25,638	15,078	25,638
		TOTAL			38,935	15,078	175,047
47X009	TOTAL OTHER GOVT DEPT ETC	CONT			25,638		25,638
		HL			13,297	17,582	171,603
		TOTAL			38,935	17,582	197,241
470009	TOTAL OTHER DEPTS, ETC	CONT			25,638		25,638
		HL			13,297	17,582	171,603
		TOTAL			38,935	17,582	197,241
480000	NON GOVT	CONT					
48Y000	ALL NON GOVT ENT	HL			468	50	518
48Y100	ALL ACTIV EXC E&D	TOTAL			468	50	518
48Y101	BY REPORTING ORG.	CONT					
		HL					
		TOTAL					

72I-85143/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 006
DEPT OF ARMY WASHINGTON DC 20314

DIVISION	DISTRICT	PERIOD ENDING	RCS DAEN-RMF-6(R4) 3018B			
Specimen	Specimen	Specimen				
ITEM	DESCRIPTION	LANDS AND DAMAGES	TOTAL COSTS	ESTIMATED COST		
NO		PEAL ESTATE ADMIN	C.F.Y.	THOUSANDS OF DOLS		
		DIRECT COSTS	(COL. 5	CFY	NFY	
		DISTRICT	PLUS 10)	TOTAL	TOTAL	
		OVERHEAD		(13)	(15)	
		(8)	(9)	(10)	(11)	
460009 TOTAL OTHER CE ESTAB	CONT		40,090	100	50	
	HL		139,087	500	500	
	TOTAL		179,177	600	550	
470000 OTHER DEPTS, ETC						
47X000 OTHER GOVT DEPT ETC						
47X100 ALL ACTIV EXC E&D						
47X101 BY REPORTING OPG.	CONT					
	HL	11,733	1,445	13,178	213	200
	TOTAL	11,733	1,445	13,178	213	200
47X200 ENG & DES						
47X220 OTHER E&D						
47X221 BY REPORTING ORG.	CONT		25,638	100		
	HL		149,409	403	200	
	TOTAL		175,047	503	200	
47X009 TOTAL OTHER GOVT DEPT ETC	CONT		25,638	100		
	HL	11,733	1,445	13,178	616	400
	TOTAL	11,733	1,445	13,178	716	400
470009 TOTAL OTHER DEPTS, ETC	CONT		25,638	100		
	HL	11,733	1,445	13,178	616	400
	TOTAL	11,733	1,445	13,178	716	400
480000 NON GOVT						
48Y000 ALL NON GOVT ENT						
48Y100 ALL ACTIV EXC E&D						
48Y101 BY REPORTING ORG.	CONT					
	HL		518	6		
	TOTAL		518	6		

721-85147/1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

TO-CHIEF OF ENGINEERS ATTN- DAEN-RMF-C PAGE 007
DEPT OF ARMY WASHINGTON DC 20314

DIVISION
Specimen

DISTRICT
Specimen

PERIOD ENDING
Specimen

RCS DAEN-RMF-6(R4)
30188

* CONSTRUCTION OPERATION MAINTENANCE ENGINEERING & DESIGN ETC * LANDS AND *
* DAMAGES *
* ITEM * DESCRIPTION * OTHER * DISTRICT *
* NO * * * * *
* DIRECT COSTS * CONTRACT * HIRED LABOR * OVERHEAD * TOTAL * REAL ESTATE *
* * * * *
* * * * *
* * * * *

481.09 TOTAL NON GOVT

CONT
HL

468

50

518

TOTAL

468

50

518

401.00 TOTAL WK FOR OTHERS
401.01 BY REPORTING ORG.

CONT
HL

25,638

34,396

5,694

65,728

91,851

15,034

175,393

30,260

311,208

TOTAL

90,851

40,642

209,489

35,954

376,936

901.00 * GRAND TOTAL - ALL ACTIVITIES
901.01 BY REPORTING ORG.

CONT
HL

14,320,533

641,646

977,300

169,910

16,109,389

4,420

9,311,412

238,853

6,503,268

1,796,259

16,849,792

TOTAL

22,631,945

880,499

7,487,568

1,966,169

32,959,181

4,420

901.02 BY OTHER CE ESTAB.

CONT
HL

23,603

23,603

58,138

274,824

209

263,151

TOTAL

58,138

228,407

209

286,754

911.04 TOTAL

CONT
HL

14,320,533

641,646

1,000,903

169,910

16,132,992

4,420

9,369,550

238,853

6,708,172

1,796,468

17,112,943

TOTAL

22,690,083

880,499

7,718,975

1,966,378

33,245,935

4,420

721-8514 /1 FISCAL YEAR COST-BUDGET SUMMARY-CIVIL ACTIVITIES
(REPORT AMOUNTS COLUMNS 1 THROUGH 11 TO NEAREST DOLLAR)

DIVISION Specimen		DISTRICT Specimen		PERIOD ENDING Specimen			RCS DAEN-RMF-6(R4) 3018B		
*	*	*	*	LANDS AND DAMAGES			*	TOTAL COSTS	*
*	*	*	*	*****			*	C.F.Y.	*
*	ITEM	*	DESCRIPTION	*	REAL ESTATE ADMIN	*	(COL. 5	*	ESTIMATED COST
*	NO	*		*	DIRECT COSTS	DISTRICT	TOTAL	PLUS 10)	THOUSANDS OF DOLS
*	*	*		*	OVERHEAD	*		*	CFY
*	*	*		*				*	MFY
*	*	*		*				*	TOTAL
*	*	*		*	(8)	(9)	(11)	(11)	TOTAL
*	*	*		*				*	(13)
*	*	*		*				*	(15)

480009 TOTAL NON GOVT	CONT						
	HL				518		6
	TOTAL				518		6
400000 TOTAL WK FOR OTHERS							
400001 BY REPORTING ORG.	CONT				65,728	200	50
	HL	11,733	1,445	13,178	324,386	1,122	900
	TOTAL	11,733	1,445	13,178	390,114	1,322	950
900000 * GRAND TOTAL - ALL ACTIVITIES							
900001 BY REPORTING ORG.	CONT	770,068		774,488	16,883,877	33,453	27,070
	HL	378,159	54,936	433,095	17,282,887	45,558	38,445
	TOTAL	1,148,227	54,936	1,207,583	34,166,764	79,011	65,515
900002 BY OTHER CE ESTAB.	CONT				23,603	30	
	HL				263,151	464	280
	TOTAL				286,754	494	280
900009 TOTAL	CONT	770,068		774,488	16,907,480	33,483	27,070
	HL	378,159	54,936	433,095	17,546,038	46,022	38,725
	TOTAL	1,148,227	54,936	1,207,583	34,453,518	79,505	65,795

APPENDIX I, Chapter 23
UNIFORM LIST OF REPORT ITEMS, WITH AUTHORIZED ABBREVIATIONS
ENG Form 3018b

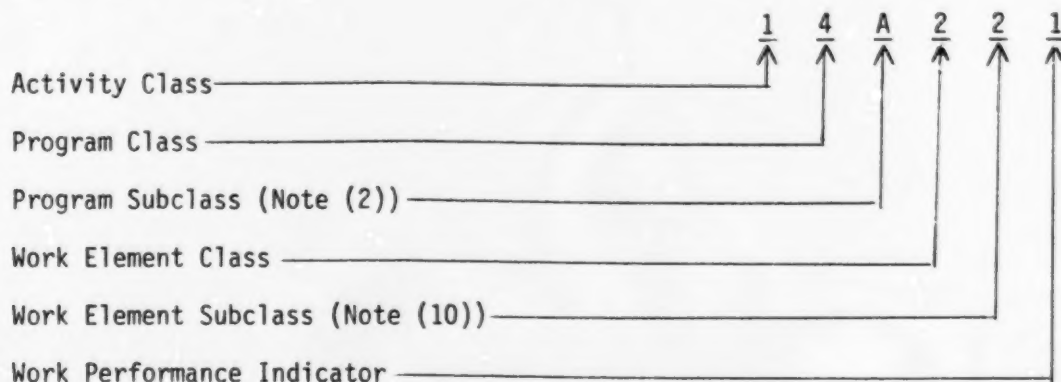
ITEM CODE (Note (1) (2) & (7))	ITEM DESCRIPTION	AUTH ABBREVIATION (Note (2))
100000	Project Activities, General	PROJ ACTIV GEN
200000	Project Activities, Flood Control, Miss. River & Tribs.	PROJ ACTIV MR&T
300000	Totals, Project Activities	TOTALS, PROJ ACTIV
400000	Work For Others	WK FOR OTHERS
500000	Reserved	
thru	"	
800000	Reserved	
900000	Totals, All Activities	TOTAL-ALL ACTIV
X10000	General Investigations	GEN INVESNS
X20000	Construction	CONST
X30000	Operation and Maintenance (Note (3))	OPER & MAINT
X40000	Miscellaneous Civil Activities	MISC CIV ACTIV
X50000	General Expenses	GENL EXP
X60000	Other CE Establishments	OTHER CE ESTAB
X70000	Other Departments, Agencies, Etc.	OTHER DEPTS, ETC
X80000	Non-Governmental	NON GOVT
X90000	Reserved	
XXA000	Flood Control and Coastal Emergencies(O&M)	FC & CE - O&M
XXB000	Washington Aqueduct (Construction)	(Note WASH AQUEDUCT-CONST
XXC000	Washington Aqueduct (O&M)	(4)) WASH AQUEDUCT-O&M
XXD000	Soldiers Home (Construction)	SOLDIERS HOME-CONST
XXE000	Appalachian Regional Development Program	APPAL REG DEV PROG
XXF000	Army-Facility Engineers (Note (5 & 8))	AFE SUPPORT
XXG000	Environmental Protection Agency, Except Construction Grants Program (Note (5))	EPA
XXH000	EPA Construction Grants Program	EPA CGP
XXJ000	Department of Interior	INT
XXK000	Department of Justice (Note (5))	JUST
XXL000	Department of Energy	DOE
XXM000	National Park Service	NPS
XXN000	International Boundary Commission	IBC
XXP000	International Communications Agency, Including Voice of America (Note (5))	ICA
XXQ000	Washington Aqueduct (Note (6))	WASH AQUEDUCT
* XXR000	Special OCE Use Only	OCE USE
XXS000	Reserved	*
thru		
XXU000	Reserved	
XXV000	Revolving Fund-Major Items PRIP (Note (9))	R/F PRIP
XXW000	Federal Emergency Management Agency (Note (5))	FEMA
XXX000	All Other Governmental Departments, Agencies, Etc. (Note (5))	OTHER GOVT DEPTS ETC
XXY000	All Non-Governmental Entities (Note (6))	ALL NON GOVT ENT
XXZ000	Reserved	
XXX100	All Activities Except Engineering and Design	ALL ACTIV EXC E&D
XXX200	Engineering and Design	ENG & DES
XXX300	Reserved	
thru	"	
XXX900	Reserved	

EF 37-2-10
Change 53
29 Nov 84

ITEM CODE (Note (1) (2) & (7))	ITEM DESCRIPTION	AUTH ABBREVIATION (Note (2))
XXXX10	Design Engineering	DESIGN ENG
XXXX20	Other Engineering and Design	OTHER E&D
* XXXX30	Construction Financed by O&M, General Funds (Note (10))	CONST O&M GEN *
XXXX40	Reserved	
thru	"	
XXXX90	Reserved	
XXXXX1	By Reporting Organization	REPORTING ORG
XXXXX2	By Other CE Establishments	OTHER C E ESTAB
XXXXX3	Reserved	
thru	"	
XXXXX8	Reserved	
XXXXX9	Totals	TOTALS

NOTES:

- * (1) Applicable six character item codes, obtained by combining the various code elements described in the list of report items, will be entered in position 3-9 of the ENG Form 3018b Data Format prescribed in Software Note S-299. The data elements represented by each of the six positions are:



(2) Program subclass item XX0000 will be used to identify all work for which a specific program subclass has not been provided in the list of report items.

(3) Include activities under appropriation 96X5125, Maintenance and Operation of Dams and Other Improvements of Navigable Waters.

(4) Program subclass items XXA000 thru XXE000 apply to program item X40000, Miscellaneous Civil Activities only.

(5) Program subclass items XXF000 thru XXP000, XXR000 thru XXW000 and XXX000 apply to program item 470000, Other Departments, Agencies, Etc., only. Alphabetic codes "I" and "O" will not be used.

(6) Program subclass items, XXQ000 and XXY000 apply to program item 480000 only.

(7) In no event will the item list be expanded without prior approval. Requests for establishment of additional items should be submitted to HQDA (DAEN-RMF-C), Washington, DC 20314-1000.

*

ER 37-2-10
Change 53
29 Nov 84

(8) Include all reimbursable work performed for Army Facility Engineers under orders received directly from Army Facility Engineers when financed in the Revolving Fund and billed directly to the ordering office without clearing through a military carrier account.

(9) Program subclass item XXV000 will only be used with Activity Program Class 440000, Work for Others, Miscellaneous Civil Activities. The reporting district's PRIP costs for major plant acquisition items, defined as those items which have an acquisition cost of \$200,000 or more per item or complete system in the VW70 thru 77 accounts, are to be reported under this program subclass.

* (10) Program subclass item XXXX30 applies only to the categories of construction financed by O&M, General funds listed below.

a. Minor/Major Rehabilitation previously funded by 96X3122.

b. Recreation Facilities at Completed Projects previously financed by 96X3122.

c. Construction of Recreation Facilities previously financed by 96X5007.

In no event will this subclass be used for any category of construction financed by O&M, General funds not specifically listed above.

*

ER 37-2-10
Change 12
1 Jun 71

CHAPTER 25

ANNUAL REPORT TO THE FEDERAL POWER COMMISSION

FPC FORM NO. 1 (Reports Control Symbol FPC 1002)

- 25-1. The rules and regulations of the Federal Power Commission apply, so far as may be practicable, to the Corps of Engineers multiple purpose projects including power. Submission requirements and detailed instructions for preparation of Annual Report To The Federal Power Commission, FPC Form No. 1 (RCS: FPC 1002) are included
- * in ER 37-2-11 Financial Reporting for Multiple Purpose Projects Including Power.

*U.S. GOVERNMENT PRINTING OFFICE: 1965-O-489-360